

Oil And The Nigerian Civil War

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ABSTRACT: Extant literature on the causes of the Nigerian Civil War, 1967-1970 emphasises the relevance of other factors that caused the conflict e.g. the coup d'état of the same year, the personality clash between Colonels Chukwuemeka O. Ojukwu (Military Governor of the Eastern Region) and Yakubu Gowon (Head of the Federal Military Government) etc. Although these factors were important in the cause of the war, yet it is obvious that a peaceful resolution of the conflict was not impossible, had the allure of oil revenues not been present as a tempting bait to the two Colonels and their supporters as a veritable resource to not only prosecute their respective war aims but also execute their development programmes.

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I. INTRODUCTION

The immediate post independent Nigeria was faced with an ugly choice reduced briefly to: either she took conscious steps to unify the diverse ethnic nationalities that make up the country or she allowed, the centrifugal forces that were reasserting themselves break up the country. These forces were not few e.g. the Action Group party crisis of 1962, the census controversy of 1963, the Tiv riots of 1964 and the federal and western regional elections of 1964 and 1965 respectively to mention only a few. The violence that attended all but one of these crises almost literally brought the country to its knees¹. It was in a bold attempt to cure this national malaise, at least as far as they saw it,² that a group of majors in the Nigerian Army staged a coup d'état on January 15, 1966. And in the process plunged the country into even deeper crisis.

Initially the coup d'état was welcomed all over the country until the pattern of the killings during the coup d'état became known.³ The gloomy mood in the Northern Region would have been cleared if Aguiyi Ironsi had acted swiftly to punish the mutineers then held in different prisons across the country⁴. Equally the promotions in the Army shortly after the coup did not help matters. It only reinforced northern fears of Igbo domination of the country since the Igbo were eighteen out of the twenty one officers promoted.⁵ What snapped Northern patience with the Ironsi Administration was his desire to unify the country relentlessly goaded by Francis Nwokedi and his other Igbo advisers. The North was opposed to the establishment of a unitary system of government in Nigeria. Suleiman Takuma argued

One sad fact which these journalists as well as some of the military top advisers refuse to admit is that a unitary government does not necessarily unite the people of Nigeria.⁶

It is surprising that the Ironsi Administration would exhibit such insensitivity to such unequivocal denunciation of the unitary system of government e.g. the *New Nigerian* and its vernacular, *Gaskiya tafi Kwabo* rallied the Northern public to what was seen as a threat from the South. A sampler "Federalism is Good for Nigeria", "Unitary System Not for Us", "Leave the North As It Is" and "Smouldering Fires".⁷ These screaming headlines came with a warning that "to force a unitary type of government on people without an impartial referendum is setting the clock backward"⁸.

Ironsi remained insensitive to all these or better still, ignored them and went ahead and promulgated Decree No.34 abolishing the regions on 24 May, 1966.⁹ The North replied with riots in which many Southerners – particular the Igbo lost their lives. The riots initiated huge movement of Easterners back to their region. Ironsi attributed the riots to foreign incitement.¹⁰ By the 29th of May calm had returned to the North largely through the trouble shooting activities of the Northern Governor, Hassan Usman Katsina.¹¹ The North saw the decree as a confirmation of an Igbo agenda to dominate the North and hence the battle cry of *araba* - let us secede¹².

Ironsi spent the rest of his tenure dousing the fires of *araba* in the course of which he was overthrown by a group of Northern officers of the Nigerian Army at Ibadan, on 29 July, 1966. The coup was followed by massive killing of Igbo officers and men¹³ producing in its wake a mass exodus of Eastern army personnel from the North to the East.¹⁴ By 1 August 1966, a new Head of State in the person of Yakubu Gowon, a Lieutenant Colonel and Chief of Staff had emerged. The emergence of Gowon brought a schism between the federal authorities in Lagos and the Eastern Regional Government led by Emeka Odumegwu – Ojukwu also a lieutenant colonel. So Nigeria's march to the civil war began.

The question is what factors informed this inexorable march? First, the emergence of Gowon as Head of State did not impress Ojukwu because Gowon was a junior in the hierarchy of senior officers. Apart from Brigadier Ogundipe and Colonel R. Adebayo, there were still three other officers all lieutenant colonels: Imo, Effiong and Njoku all of them from the Eastern Region.¹⁵ On assumption of office, Gowon said he was “nominated by a “majority” of members of the Supreme Military Council.¹⁶ Ojukwu rejected him as supreme commander because the Supreme Military Council “did not take majority decisions”¹⁷ and that the Supreme Military Council “had not met”. In any case when the Council met and “confirmed Gowon in his new post” it was not plenary because it was held in conditions that made “it impossible for Emeka Ojukwu to attend and get out alive.”¹⁸

To Ojukwu, there were constitutional grounds for his rejection of Gowon as his Supreme Commander. Under the constitution, the Supreme Military Council in a plenary session would have made the appointment and Brigadier Ogundipe was the next legitimate person to take over if indeed Ironsi was dead for it was not clear what had happened to him¹⁹. And so as far as Ojukwu was concerned, the post of Supreme Commander was not yet vacant.²⁰

Ojukwu had practical reason not to accept Gowon’s appointment. When information got to him that “the random and sometimes methodical killing of Eastern soldiers and officers”²¹ was still going on three days after the coup leaders had won, he called Gowon and told him to put a halt to it. To Ojukwu’s dismay absolutely nothing happened to stop the killings which went on till the end of August after “three hundred Eastern officers and men were dead or missing.”²² So as far as Ojukwu saw it, on legal and practical grounds, he would not accept Gowon as his Supreme Commander.

The legal argument of Ojukwu not to accept Gowon’s leadership “does not hold water.”²³ This is because Gowon had led a successful coup-albeit a ruthless and extremely destructive success and by virtue of this success he now had *de jure* recognition. It was apparently in recognition of this that informed Brigadier Ogundipe who was the next legitimate officer to take over accepted Gowon’s leadership. So did Adeyinka R. Adebayo who was appointed Military Governor of Western Region in place of Lieutenant Colonel Fajuyi who was killed in the July 29, 1966 coup. The three other senior officers – all lieutenant colonels were from the East and so the question of their appointment as Head of State did not arise. The July 1966 coup leaders had put themselves in positions of power to dictate the terms of settlement. Wale Ademoyega argues that if Ojukwu had wanted to act against the July coupists, he would have done so in “the immediate days and weeks that followed”²⁴ but he did not and by May 28, 1967 when he started to act, it was too late for him, for the North had not only found her feet and goal but also “the remainder of Nigeria had become once more reoriented toward the national continuity of Nigeria in one form or the other.”²⁵

In his maiden address to the country on assumption of power, Gowon said that he had signed a decree which repealed Decree 34 thus taking Nigeria back to federalism; revoking the “extreme centralization”²⁶ of the country as entailed in Decree 34. Decree 59 did not only repeal Decree 34, it repealed two other decrees nos 14 and 36 by which the Attorney – General of the Republic was “empowered to institute criminal proceeding against any one in respect of any law anywhere in Nigeria whenever he considers it desirable”, and empowered the Supreme Military Council after consultation with the Advisory Judicial Council to “appoint persons to hold or act in the office of magistrate or registrar of a court under law enacted and enforced in Nigeria”,²⁷ respectively.

The effect of the repeal of decrees 14 and 36 was that henceforth, the federal. Attorney-General will be concerned with Federal Matters through the Federal Ministry of Justice while regional matters are left with regional Attorney Generals. Second, the power to appoint, confirm, dismiss and exercise disciplinary control over magistrates and registrars reverted to the Federal Public Service Commission in case of the Federal Territory and to the Regional Public Service Commission in case of regions. In addition, the exercise of the prerogatives of mercy reverted to the Supreme Military Council in respect of offences committed under any law in Nigeria in respect of offences under Federal Law while military Governors exercise this power in the regions.

Ojukwu was not impressed by all these reversals of policy nor Gowon’s time table for the return to civilian rule announced on August 8, 1966.²⁹ This was because it had robbed the authors of the unification whatever they thought they would gain by the exercise.³⁰ Infact during his tour of the country studying the question of unification, Francis Nwokedi was warned in the North of the dangers of rapid centralization. Also a group of professors from the University of Nigeria, Nsukka presented “a detailed paper arguing against swift unification”.³¹ But Francis Nwokedi ignored it because he had ideas of his own. He was strong-willed, had the ears of Ironsi as he was “one of Ironsi most influential advisers”.³² On its face value, the unification was a bold, reasonable and progressive goal but in a loosely knit, and tribalistic Nigeria, it was a dynamite because “it threatened Regional autonomy as its very roots.”³³ The North had most to fear since it lagged far behind other regions in education e.g. at independence the whole region had only 41 secondary schools against the South’s 842.³⁴

The unification decree was only a spark that ignited the riots of May 1966 which involved all the major towns of the North. Since January 1966 coup there had been seething anger in the North as a result of the losses the region sustained: her premier who could not be replaced any time soon if at all, Tafawa Balewa and the army officers who were their best which made it much harder to accept the reality of their demise. In addition to these, there was a rise in food prices as well as the provocative and arrogant behaviour of some Igbo living in their midst.^{34a} The May massacres were followed by the September program. Ojukwu had appealed to the Igbo who had fled to the East in May to go back only to be killed in greater numbers. Feelings of deep personal guilt afflicted Ojukwu and help to explain and even justify his later intransigence in dealing with the Federal Government.³⁵ But then how many Easterners were involved, that is, killed?

Ojukwu himself escalated the figure on four separate occasions. In the forward of the Eastern Region's booklet, *Porgroms*, he spoke of more than 7,000 dead. At the Aburi conference in January 1967 long after the casualty returns were in, he said 10,000 had died. By the time the war was under way this had leapt to 30,000...in the Ahiara Declaration, Biafra's blue print for revolution...he claims 50,000 were killed.³⁶

The accurate figure of casualties may never be obtained as Northerners in the Eastern Region were also killed^{36a}. Those who survived and made their way to the East came in very bad shape. Many came in a state of helpless indigence and penury, others maimed permanently through injures they received, quite a number naked and without clothing. Some have been left spiritually lonely and physically depraved³⁷.

The Rehabilitation Commission was established by the Governor to care for these persons who had returned. He gave the Commission a million pounds for this purpose. The Commission acquitted itself creditably for within six months, over 28000 persons had been given employment in the public sector and nearly 5,000 persons had been absorbed in the private sector both through our personal persuasion and their own magnanimity.³⁸

It is obvious from the activities of the Commission that had Ojukwu worked in harmony with the Federal authorities, the wounds of the pogroms of May and September 1966 would have been healed to the overall benefit of the country. This is borne out by the fact that the federal government gave £300,000 for the refugees as compensation for their losses³⁹ and would have given more had Ojukwu not ordered a new executive jet for himself and the discovery that the East was beginning to arm itself⁴⁰. Ojukwu withdrew the Eastern delegation from the Ad Hoc Constitutional Conference as a protest against the September riots in the Northern region – instead of staying put and use the forum to win concessions for the refugees and the relatives of those who were killed.

The Ad Hoc constitutional conference was inaugurated on 12 September 1966 in Lagos. It was to consider the resolutions of all the regional leaders of thought as entrusted to their respective delegations and come up with the best form of government for the country. In a key note address, Gowon asked members to choose from three alternatives of:

- a. a federation with a strong central government
- b. a federation with a weak central government
- c. a confederation

It was free to suggest a form of association “with an entirely new name yet to be found in any political dictionary in the world but peculiar to Nigeria”.⁴¹ The conference had barely started its work when the September riots started and the Eastern delegation was withdrawn and Gowon later postponed the meeting of the conference indefinitely. In October Ojukwu took another unhelpful decision: the expulsion of all non-Easterners from the region. A move which was seen as he did not want any non-Eastern eyes prying into his preparations for session amongst other interpretations.⁴² A dead end appeared to have been reached since, for questions of security, Ojukwu could not attend meetings of the Supreme Military Council held outside the Eastern region.

It was in this circumstance that a meeting of Nigerian military leaders was arranged in Aburi, Ghana. The meeting held on the 4th and 5th January, 1967. At Ojukwu's instance the leaders agreed that

- a. force should not be used to resolve the Nigerian crisis.
- b. A confederal status was allowed the regions
- c. A law of collective responsibility which vested all powers of the federal military Government in the Supreme Military Council, making unanimous concurrence imperative.

It was also agreed that the Head of State should assume the title of Commander-in-Chief of the armed forces of Nigeria.⁴³ Ojukwu had got virtually all that he wanted and so he would henceforth cooperate with his colleagues in finding a lasting solution to Nigeria's political problems.

The Aburi conferencees had hardly unpacked their bags when a dispute arose over different interpretations of the accords reached at Aburi between the Eastern regional government and the federal government⁴⁴; especially those pertaining to the payment of displaced persons and the reconvening of the Ad

Hoc constitutional conference.⁴⁵ Ojukwu added an ultimatum to his own version of the Aburi accords to the effect that if by the 31st of March – the end of the financial year of 1967 - the Aburi accords were not implemented, he would feel free to “take steps to implement those resolutions in the Eastern Region”.⁴⁶

As if in reply to the ultimatum, the Supreme Military Council met in Benin City to which Ojukwu was invited but he refused to attend citing insecurity to his life. It must be emphasized that Ojukwu was not fair in arguing that insecurity was the reason that kept him away from the Supreme Military Council meeting in Benin City because ninety percent of the military officers in the Midwest were Midwesterners of Igbo origin; there were no Northern troops in Benin City and Lt. Colonels C. D. Nwawo and M. Okwechime as well as Major Okonkwo were sufficient to ensure his security if he had wanted to attend the conference.

The Supreme Military Council at its Benin City meeting on May 10, 1967 approved Decree No.8 and it was published on 17 May, 1967. The decree *inter alia* made Nigeria “more confederal than it had ever been”.⁴⁷ Many people felt it was the

best possible deal the East would ever get from Lagos and should be accepted, if only because it allowed scope for a gradual drifting secession, which the Federal Government would have found extremely difficult to oppose.⁴⁸

Ojukwu found sections 70 and 71 of Decree No.8 particularly offensive. Section 70 empowered the Supreme Military Council to declare “a state of emergency in Nigeria if the Head of the Federal Military Government and at least three of the Governors agree to do so”. While section 71 “empowered the Head of the Federal Military Government in agreement with at least three of the Governors” to legislate for any particular Region whenever they deem it fit during a state of emergency, with or without the consent of the Governor of that particular Region.”⁴⁹ N. U. Akpan, Ojukwu’s Chief Secretary argues that Decree 8 “in my view faithfully implemented the Aburi decision”⁵⁰ because it had given the Eastern Region most of its demands and so Ojukwu should have accepted it. Indeed the decree restored the power of the regional governments to the constitutional position before the first military coup. The centre became weaker than the regions.

At numerous fora Ojukwu had denied that the Eastern region would secede. It will only be forced out. To force out the East from Nigeria, Gowon had to do any of these four things:

- a. failure to implement the Aburi accords
- b. impose an economic blockade of Eastern Nigeria
- c. uses or threatens to use force against Eastern Nigeria and
- d. interferes with the territorial integrity of Eastern Nigeria.⁵¹

Undoubtedly these were heavy obligations on the federal authorities but there was no obligation on the Eastern authorities as those bent on secession “were also bent upon seeing that the Federal Government was provoked into creating the above conditions.”⁵² So far the federal authorities had avoided the traps for nobody was pushing the Eastern region out of Nigeria, since the problem of reconciliation was “purely of method, rather than goal”⁵³

Then came the survival edicts which were “drafted, *in camera*”.⁵⁴ These were the Revenue Collection Edict (published on 31 March 1967); The Legal Education Edict (published on 17 April 1967); the Court of Appeal Edict (published on 18 April 1967) and the Marketing Board Edict (published on 19 April 1967). N. U. Akpan’s paper that was critical of the edicts brought a retort from Ojukwu to the effect that Akpan “deserved to be detained for it”⁵⁵. Alexander A. Madiebo argues that the Eastern Nigerian government was absolutely helpless “and so passed the edicts to protect the interests of its people and avoid a total economic collapse of the Region...”⁵⁶ They were meant to serve as a temporary relief while a more permanent solution was being sought. Madiebo was being economical with the truth for up till then the federal authorities had not done anything whatsoever to economically strangulate the Eastern Region. If the federal authorities had been lucky to absorb the provocations of the Eastern region, they were bound to fail not to react to the promulgation of the Revenue Collection Edict.

By this edict, Ojukwu peremptorily ordered all revenues derived from the Eastern region to be diverted from the federal treasury and paid instead into his regional treasury. He argued that this measure had become necessary because, first, at Aburi, it was agreed that all civil servants and corporations staff who fled their posts and have not found alternative employment should be paid their salaries and wages till March 31, 1967 and this the corporations refused to do in respect of the Eastern region and he had been forced to step in and pay them. Second, the other expenses properly chargeable to the federal government had been borne by the Eastern regional government. Third, that the events of July 1966 had caused a shift of population as a result of which the Eastern government had more than 1.8 million persons to cater for and rehabilitate. Fourth, that the federal authorities were delaying in remitting the Eastern share of revenues collected despite the fact that those statutory shares represented only a small fraction of the revenue derived from the region and fifth, that the federal

authorities were also withholding monies due to the region from other sources and that the total amount due and unpaid is well over £10,000,000.⁵⁷ Hence the edict was intended to enable the Eastern government to collect and retain what it was owed to it and prevent further indebtedness to it by the federal authorities. In practical terms the edict gave the East “virtual control of the railways, airports, harbours, coal, electricity and postal communications within its borders.”⁵⁸ In point of fact Ojukwu had in January 1967 confiscated produce “belonging to the Northern Nigerian Marketing Board, a third of the rolling stock of the Nigerian Railways and stopped the sale of oil products from the refinery at Port Harcourt to the North”⁵⁹

The federal government response was swift and sharp. The federal government imposed a stern economic blockade of the Eastern region unwittingly meeting one of the conditions that if taken by the Federal authorities would amount to pushing the East out of Nigeria.⁶⁰ While the federal authorities saw the Eastern edicts as invalid, Ojukwu saw them as a very valid because he and his advisers had made up their minds to secede.⁶¹ The edict of revenue collection gave the Eastern region virtual financial independence from the federation.

To any careful observer, Ojukwu had started thinking of secession before the emergence of Gowon as Head of State. On 1 August 1966 the arrow heads of this secession were the Igbo intellectuals who had lost out in their fight for their jobs to their Yoruba opponents particularly at Universities of Lagos and Ibadan and were ready to abandon “their hard-won gains in the federation for a new life in an independent Eastern State”.⁶² In fact a number of academics at University of Ibadan “were planning an Eastern secession before the May riots... all that remained was to fashion a new state, and new jobs out of the oil rich East.”⁶³ Some of these academics moved to the University of Nigeria, Nsukka and soon the core of the secessionists was formed at the University. The acceptance of secession was so wide spread that on the day Gowon assumed leadership of the country, Ojukwu had wanted to make an important declaration at the meeting of members of the executive council, permanent secretaries and “representatives of chiefs and organisations...recording equipment were ready and teams from NBC and ENBC were outside wanting...it was a declaration of secession of Eastern Nigeria from the rest of Nigeria to form the Republic of Biafra.”⁶⁴ It was to be read to the assembled guests and so obtain their support or mandate after which it was to be broadcast. What stopped the broadcast of the declaration was the opposition of N. U. Akpan, Lt. Colonel D. Ogunewe and Patrick I. Okeke. The last two being the officer commanding the fourth battalion based in Enugu and Commissioner of Police in the region respectively. The two officers had made it clear to Ojukwu that their loyalty was to Lagos.⁶⁵ It was this report that was “later updated so I believe, for the broadcast of the morning of May 30, 1967”.⁶⁶ In a statement issued later that day, Ojukwu questioned the “existence of national unity given the activities of Northerners since May to the date”.⁶⁷

By August 1966 the secessionists were very active at the University of Nigeria, Nsukka “where the student population had increased from 2,500 to about 4,000 after the July coup and where feelings started to run high against all non-Easterners”.⁶⁸ By the end of August 1966 Ojukwu had got a mandate from the people of the East not to send delegates to Lagos for any constitutional talks” unless the safety of the delegates is guaranteed”.⁶⁹ Perhaps the question that nobody asked was who was to assess what amount of security was to be judged as sufficient to guarantee the safety of the Eastern delegates? By 13 November 1966 the Eastern Consultative Assembly had endorsed Ojukwu’s stand on the constitutional conference and urged him inter alia, utmost vigilance against subversion, to reject any solution which would undermine the economic and industrial progress and prosperity of Eastern Nigeria, to speed up the implementation of Provincial Administration and assured him of their support.⁷⁰

It would appear that the idea of secession was bought by Ojukwu even before the May riots and so the riots of May and September were God-sent to help him prepare for the actualization of his dream. In fact the death of Ironsi, as far as the actualization of secession was concerned, was another big plus. Hence the deliberate plans to provoke the federal authorities. The references in the Revenue Collection Edict to statutory shares of the Eastern region being “only a small fraction” of revenue derived therefrom and “other sources” of revenue which the federal government was withholding from the East may well be oblique references to oil revenues. It is not clear why Ojukwu and his aides took their time to hide the relevance of this vital revenue source to the successful execution of their dream. But then their subsequent actions were bound to force the relevance of oil in the secession bid before the whole world. For the region’s statutory allocations were woefully inadequate to prosecute a secession agenda.

Shell D’archy was the first oil multi-national company to undertake oil prospecting activities in Nigeria.⁷¹ By 1956 a new company known as Shell-BP Petroleum Development Company of Nigeria Limited jointly financed by British Petroleum and the Royal Dutch Shell group of companies replaced Shell D’archy.⁷² Preliminary geological reconnaissance was done between 1938 and 1941; by 1956 the first commercial discovery of oil was made at Oloibiri and Nigeria made her first crude oil export in 1958.⁷³ Soon other oil companies, Tenneco, Gulf, Agip, Safrap (ELF) later Philips obtained onshore prospecting licences. These were joined by Mobil and Texaco Overseas which made Nigeria’s first offshore strike in 1963.⁷⁴ From an initial production of 5,500 bpd, production rose steadily to 415,000bpd by 1966 and dropped to 142,000bpd during the

civil war.⁷⁵ Total initial production was 1.8m barrels valued at £176 million.⁷⁶ This excellent achievement lured in more oil companies to operate both onshore and offshore;⁷⁷ representing American, British, Italian, French, Dutch, German and Japanese interests.⁷⁸

The fiscal arrangements under which oil companies were to make payment to the Nigerian government were partly in Nigerian laws and decrees and partly in “the covenants that each company has with the government”⁷⁹. These covenants were secret but were largely uniform to all the companies. Under the Petroleum Profit Tax Ordinance of 1959, the Nigerian government and oil companies had a 50/50 share of the companies’ profits⁸⁰. The realized price (posted price) was applied to the volume of crude produced and exported to calculate gross proceeds. The evaluated output served as the basis for figuring royalties and taxes on profits while rentals and other sundry taxes were calculated separately.⁸¹

While Rentals were specific taxes based on the type of concession agreement and the acreage involved; Royalties was *ad valorem* taxes based on the value of each barrel of crude oil produced. Before 1967 it was based on realized prices. From 1967 they were equal to a certain percentage of the field storage value.⁸² Oil Mining Leases fees were higher than rentals whether on or offshore and were based on a sliding scale of 2/6 (two shillings and six pence) per acre in the first year, 3/6 per acre in the second, 4/6 per acre in the third, 6 = per acre in the fourth, 8 = per acre in the fifth and 10 =per acre in the sixth and all succeeding years of the concession life.⁸³

The Nigerian government derived revenue from harbour dues and port charges paid to the Nigerian Ports Authority (NPA) for export shipment of crude at Bonny at ¾ per ton of crude plus 1/8d per net registered ton paid by each tanker entering an export terminal. This meant charges of \$0.06 per barrel harbour dues and \$0.016 per barrel charges.⁸⁴

By the provisions of the Petroleum Profit Tax Ordinance, according to S. O. Osoba, on a gross income of £1,000 the local share of the Nigerian government was £300 – made up of £230 royalties, and general duties and £70 chargeable tax – as compared to the £415 obtained among OPEC member states.⁸⁵ Nigeria was being robbed of her oil revenues by two companies in which Britain” had substantial interests (the British Petroleum Limited) and the Royal Dutch Shell Company”.⁸⁶ Most scandalous was the provision that royalties were regarded as deductible from Governments 50% share of the profits. The law saw to it that the oil companies “get away with a disproportionately large share of the profits”.⁸⁷ However from the table of crude production below, it would appear that the Nigerian government derived substantial revenues from the oil firms.

Yearly Crude Oil exports, 1958 - 87

YEAR	QUALITY	METRIC TONS	APPROXIMATE (₦)
1958	1,820305	248,926	1,784,000
1959	39,57446	546456	5,270,000
1960	6,243527	860279	8,414,000
1961	16,505985	225479	22,664,000
1962	24,679769	3374949	34,412,000
1963	27,701,320	3754285	40,352,000
1964	43,431563	5876224	64,112,000
1965	96,984975	13228514	136,194,000
1966	139,549969	19160777	183,884,000
1967	109,274902	14804684	142,100,000
1968	52,129855	7140893	77,695,000
1969	197,245647	26,981043	301,365,000
1970	383,455353	52,649968	514,168,536
1971	542,545131	73,992951	1,135,120,000
1987	437,413,941	59,893873	29,388,728,287 ⁸⁸

These totals include crude oil supplied to offshore refineries.⁸⁹ In terms of GDP, Petroleum value added tax to the Nigerian economy was 8,17,32,44, 51, and 18 for 1963, 1964, 1965, 1966, 1967 and 1968 respectively which translated to GDP percent of the value added to 0.6, 1.3, 2.3, 3.0, 3.4, and 1,2 for years 1963 to 1968 respectively.⁹⁰ Reduced to cash inflow it was 20.7 , 32.7, 69.1, 100.6, 80.6 and 36.9 million pounds for 1963, 1964, 1965, 1966, 1967 and 1968 respectively. In 1967 the petroleum industry paid £27 million to the Nigerian government of which 97% went to the Federal government directly⁹². This was to be distributed as follows: federal government 15%, state of origin 50% and distributed pool 35% in accordance with the provisions of Decree 15 of 1967⁹³.

Clearly, by 1965 petroleum had displaced both groundnuts and cocoa as Nigeria’s principal exchange earner; yet this was “so far is small being compared with progress they expect in the next few years”⁹⁴. The petroleum industry had a positive impact on Nigerian balance of payments in terms of local currency expenditures as shown on the table below between 1963 and 1968.

A Historical Million (£ Nigerian)

Payment	1963	1964	1965	1966	1967	1968
Payment to government	5	12	13	19	27	16
Other local payments	10	14	23	33	27	13
Proceeds from local sales	1	1	1	9	8	-
Bal of payment impact	14	25	36	43	47	29 ⁹⁵

There was also a positive balance of payments during the same period in respect of international financial flows as shown in the table below

(Million £ Nigerian historical)⁹⁶

Payment	'63	'64	'65	'66	'67	'68
Proceeds from exports	20	32	68	92	72	37
Imports of materials	4	12	14	20	14	14
Import of services	6	12	22	39	38	35
Net factor income paid abroad	-	1	14	19	19	-
Net foreign capital flow	5	18	18	29	44	41
Bal of payment impact	14	25	36	43	46	29

As far as the origin and state locations of oil production were concerned, it was as shown below⁹⁷

Production	Rivers	F. Central	Mid west	Total
A. Barrels	Per day	April 1967		
Ibo	154,907	7181	-	162,088
Non- Ibo	188,873	29,605	201,459	419,937
Total	343,780	36,786	201,459	582,225
B. Percentages				
Ibo	45.0	19.5	-	27.8
Non-Ibo	55.0	80.5	100.0	72.2
Total	100.0	100.0	100.0	100.0

It is clear from the table above that as at April 1967 more than one fourth of the total Nigerian oil production occurred in Igbo inhabited areas. By far the largest portion of this was in the principally non-Igbo areas of Rivers State. Hence the non-Igbo oil areas accounted for nearly one half of the total production.⁹⁸

In East Central State which was wholly Igbo, production was only about one fifth of total production which itself amounted to “only 6 percent of total Nigerian output of crude”⁹⁹. Clearly, Rivers State produced “nearly all of the oil in the former Eastern Nigeria. Although, 45 percent of Rivers State production took place in Igbo inhabited areas”¹⁰⁰

In terms of projection, Scott R. Pearson argues that Biafra would have been producing between 170,000 bpd (1969) and 725,000 bpd (1973) on the low side and between 170,000 bpd (1969) to 1.3 million bpd (1973) on the high and earning between £7 million (1969) and £90 million (1973) on the low side and between £7 million (1969) and £130 million (1973) on the high.¹⁰¹ The contribution of petroleum to Biafran foreign exchange availability and use would be between £17 million (1969) to £11 million (1973) on the low side, and between £63 million (1969) to £168 million on the low side for availability and use respectively. And between £17 million (1969) to £160 million (1973) low to £63 million (1969) to £217 million (1973) on the high side; and so a balance of payment availability or use would have been between £27 million (1969) and £74 million (1973)¹⁰². Undoubtedly, this would have been “crucial for Biafra”.¹⁰³

Nigeria was also facing “a foreign exchange constraint for the past several years”¹⁰⁴ Biafra gains from petroleum would have been Nigeria’s losses since these Biafra gains would not be available for redistribution. In 1973 total Nigerian production was between 1.8 million and 2.4 million bpd whereas less Biafra it would have been between 0.9 million and 1.1 million bpd. In cash terms, Nigeria would have got between £175-£240 million as payments to government of a united Nigeria and between £85 million to £110 million less Biafra. In a United Nigeria, oil sector foreign exchange contribution would be between £211 to £288 million but in a Nigeria less Biafra it would be between £100 to £128 million.¹⁰⁵ Clearly with Biafra, Nigeria’s oil output and revenue would be less by 45 percent, reduce foreign exchange availability by nearly 40 percent and decrease the

gross national product by 30 percent. These grim data not unnaturally provided a strong economic incentive for the leaders of federal Nigeria to wish to maintain a united Nigeria".¹⁰⁶

It would appear that Ojukwu was aware of this scenario and this would help to explain why he was bent on the secession bid exhibited by his intransigence; why he vehemently opposed the creation of states in the country and why when states were created on 27 May 1966, the day was described as "the worst day" in the history of the region and why the act of state creation was also described as "a one man coup".¹⁰⁷ It also explains why oil was the flash point in the strained relation between the federation and her recalcitrant Eastern region. Clearly Ojukwu needed these oil revenues badly. Arms were badly needed, so were uniforms, foot wears, vehicles and a host of other military equipment to cater for the thousands that flooded recruitment centres. Even women noisily demonstrated to be allowed to go to the front lines and fight.¹⁰⁸ It was apparently in an attempt to sort out this financial problem that Ojukwu ignited the war when on 12 June 1967 he seized Stanley Gray, Shell- BP manager demanding that the half yearly royalties of £7 million be paid to him. To give teeth to his request, Biafran troops took over all the company's installations, including the Port Harcourt refinery".¹⁰⁹ This act touched off a flurry of diplomatic activity between the company headquarters, the British High Commission in Lagos, the Foreign and Commonwealth Office and New York. The company agreed to pay the Biafrans a token sum of £250,000.00 promising that the money would be paid. David Hunt, the High Commissioner was aghast and in the end not a kobo was paid to Ojukwu.¹¹⁰

Had the money been paid it would have given Ojukwu first, some financial leverage and second, the implied recognition would have bolstered his position. On the other hand, Nigerian authorities made it abundantly clear that if any sum was paid to Ojukwu voluntarily or under duress, they would regard such payment as *casus belli*.¹¹¹

What was more, Nigerian officials were the signatories of the instruments governing the operations of the company in the country. The period from June to the start of the shooting on 6 July 1967 was that of feverish arms build up. Ojukwu intensified the smuggling of arms so as to reach "parity with the rest of the country in the possession of arms and possibly even surpass them..."¹¹². To disguise his own gun running, Ojukwu never stopped at getting his colleagues to

Re-affirm their faith in discussions and negotiations as the only peaceful way of resolving the Nigerian crisis...renouncing the use of force as a means of settling the Nigeria crisis...¹¹³

The belligerent parties also agreed to exchange information on the quality of arms and ammunition available in each unit of the army in each region and in the unallocated stores and to share out such arms equitably to the various commands, and that there should be no more importation of arms and ammunitions "until normalcy is restored".¹¹⁴ By this, Ojukwu could import arms unnoticed and at the same time keep tabs on what his colleagues were importing. Needless to say that this gentle man understanding was observed in the breach than obedience.

Even after hostilities had started, both Britain and USA refused to sell arms to the federal government. This inspite of the fact that Shell-BP alone had invested £130 million in the oil industry which represented "85% of all new net foreign investment during the period and exceeded the total investment in Nigeria manufacturing industry".¹¹⁵ The French backed Biafra to the hilt in the hopes that the French oil company Safrap (ELF) would be given huge concessions for oil prospecting. The war had cost the federal government a total of ₦460.15 million in local currency.¹¹⁷ Nigeria could not have borne this financial load without oil from the Niger Delta.

Wale Ademoyega has come up with a fascinating thesis that the civil war was inevitable¹¹⁸ because as military men (Gowon and Ojukwu), the use of force was inevitable. While one is not joining issues with Ademoyega, yet it is pertinent to note that as a military man, Gowon was very reluctant to use force to settle the crisis and this Ademoyega himself has recognized. Gowon had maintained his cool even in the face of very tempting provocation openly expressed as

To Ojukwu the idea of being subordinate to a junior, less educated, less experienced officer of Gowon's calibre-he had a low estimate of the latter's intelligence-was anathema. He pointed out later (at Aburi) that he was prepared to work with Gowon as an equal or a titular head, but accepting him as his chief was quite another matter...¹¹⁹

Gowon did not only maintain his cool, he was also conciliatory and would have remained so had Ojukwu not ignited the spark that started the civil war: the demand that the oil royalties be paid to him. He made this demand apparently when he felt he was ready to take on the federal authorities on the battle field. In point of fact, the secession saga had started in early 1966 precisely in

April 1966- before Ironsi 'unity degree' and before the first wave of Ibo massacres-when a small group of Ibo lecturers began holding meetings on Sundays at Ibadan University. By June they had produced a blue print for the East's secession; it ended with the declaration, Long Live the East! We have a new nation!.¹²⁰

By late June, these men, the hard-core of Igbo nationalists had returned to the East for good washing their hands off Nigeria that they had contributed so much to build. A new state was now to be built with revenues that will accrue from the bubbling petroleum industry in the region. It can therefore be seen clearly that whereas the personalities of Ojukwu and Gowon and other causes made the civil war probable, crude oil made it inevitable.

II. ENDNOTES

¹ For detailed survey of these crises, see P.C. Llyod, *The Ethnic Background to Nigerian Crisis*, S. K. Panter – Brick (edt) *From Military Coup to Civil War, January 1966 – May 1967*, J. P. Mackintosh, *Nigeria Government and Politics Oyeleye Oyediran (edt) Nigerian Government and Politics under Military Rule 1966 – 79*, and T. N. Tamuno, *Separatist Agitations in Nigeria since 1914*, J. M. A. S. 8, 4, (1970) pp. 563-84.

² For detail examination of this subject see Adewale Ademoyega *Why we struck, Ben Gbulie, Nigeria's five Majors*, Alexander A. Madiebo, *The Nigerian Revolution and the Biafran War*, J. Isawa Elaigwu, *Gowon*.

³ John De. St. Jorre, *The Nigerian Civil War*, Hodder & Stoughton, London, 1972, pp. 42-43.

⁴ J. Isawa Elaigwu, *Gowon*, West Books Publishers Ltd, Ibadan, 1986, p. 51.

⁵ The argument is not that the affected officers did not merit the promotions but that the Igbo dominated the officer corps.

⁶ John De. St. Jorre, *op. Cit.*, p. 56

⁷ S. Keith Panter – Brick (edt), *Soldiers and Oil. The Political Transformation of Nigeria*, Frank Lass & Company Ltd; London, 1978, p.15.

⁸ Ibid. Also see A. H. M. Kirk-Greene, *Crisis and Conflict in Nigeria: A Documentary Source Book*, 1966-70, Vol.1, Oxford University Press, Ibadan, 1971, pp. 48-49.

⁹ A. H. M. Kirk-Greene *pp. 48-49*.

¹⁰ Ibid, p. 49

¹¹ Ibid

¹² Ibid

¹³ Adewale Ademoyega *Why we Struck, The Story of the first Nigerian Coup*, Evans Brothers (Nigeria Publishers) Ltd, Ibadan, 1981, p. 137.

¹⁴ Alexander A. Madiebo, *The Nigerian Revolution and the Biafran War*, Fourth Dimension Publishers, Enugu, 1980.

¹⁵ Adewale Ademoyega, *op. cit.* p. 130.

¹⁶ Frederick Forsyth, *Emeka*, Spectrum Books Ltd., Ibadan, 1982, p. 72.

¹⁷ Ibid

¹⁸ Ibid

¹⁹ Ibid

²⁰ Ibid, Ogundipe was Chief of Staff, Supreme Headquarters

²¹ Ibid

²² Ibid

²³ Adewale Ademoyega, *op. cit.*, p. 137

²⁴ Ibid

²⁵ Ibid

²⁶ S. K. Panter-Brick, *op. cit.*, p.16

²⁷ A. H. M. Kirk-Greene, *op. cit.*, P.215

²⁸ Ibid

²⁹ Ibid, pp. 206 -8

³⁰ Since Ironsi surrounded himself with Igbo advisers led by Mr. Francis Nwokedi, it was felt that unification exercise was meant to effect and consolidate Igbo domination of Nigeria. Therefore neither Ojukwu nor the general Igbo elite liked the policy reversal.

³¹ John De St Jorre, *op. cit.*, p. 57

³² Ibid

³³ Ibid, p.58

³⁴ Ibid

^{34a} Damola Awoyokun, *Biafia: The facts, the fiction*, *The News*, vol. 40, no. 9, March 11, 2013, p.17.

³⁵ John the St. Jorre, *op.cit.*, p.61

³⁶ Ibid, p. 86

^{36a} Damola Awoyokun, *op.cit.*, p.17

³⁷ A. H. M. Kirk-Greene, *op. cit.*, p. 380

³⁸ Ibid, p. 381

- ³⁹ John De. St. Jorre, *op. cit.*, p. 87
- ⁴⁰ Ibid, The Implication of this was that the East was preparing for war since any assistance from the federal government would be diverted to buy arms – to fight it.
- ⁴¹ A. H. M. Kirk Greene, p. 218
- ⁴² John De St. Jorre, *op. cit.*, p. 87. The order led to the departure of 20,000 Mid Westerners about whom there were no security complaints. A few Westerners like Sam Aluko, fled back home from the University of Nigeria, Nsukka where he was Head of Economics Department.
- ⁴³ Adewale Ademoyega, *op. cit.*, p. 133
- ⁴⁴ A. H. M. Kirk Greene, *op. cit.*, p. 92
- ⁴⁵ Alexander A. Madiebo, *op. cit.*, p. 92
- ⁴⁶ Adewale Ademoyega, *op. cit.*, p. 134
- ⁴⁷ J. Isawa Elaigwu, *op. cit.* p.92
- ⁴⁸ John De St. Jorre, *op.cit.*, p 116
- ⁴⁹ Adewale Ademoyega, *op. cit.*, p. 134
- ⁵⁰ I. Isawa Elaigwu, *op. cit.*, p. 93
- ⁵¹ N. U. AKpan, *The Struggle for secession 1966-1970: A Personal Account of the Nigerian Civil war*, Frank Cass & Co. Ltd; London, 1976, p. 74.
- ⁵² Ibid
- ⁵³ Adewale Ademoyega, *op. cit.*, pp. 137-8
- ⁵⁴ N. U. Akpan, *op. cit.*, p. 77
- ⁵⁵ *Ibid*, p.79
- ⁵⁶ Alexander A. Madiebo, *op. cit.*, p. 93
- ⁵⁷ A. H. M. Kirk-Greene, *op. cit.*, pp.88-9
- ⁵⁸ *Ibid*, p. 89. Also see Ademoyega, p. 134, J. I. Elaigwu, p. 96
- ⁵⁹ J. Isawa, Elaigwu, *op. cit.*, p. 95
- ⁶⁰ A. H. M. Kirk Greene, *op. cit.*, p. 90. The other was a physical attack on the Eastern region.
- ⁶¹ Adewale Ademoyega, *op. cit.*, p. 94
- ⁶² John De St. Jorre, *op. cit.*, p. 99
- ⁶³ *Ibid*, p. 102
- ⁶⁴ N. U. Akpan, *op. cit.*, p.71
- ⁶⁵ *Ibid*
- ⁶⁶ *Ibid*, p. 72
- ⁶⁷ A. H. M. Kirk Greene, *op. cit.* pp. 198-9
- ⁶⁸ John De St. Jorre, *op. cit.*, p.112
- ⁶⁹ A. H. M. Kirk Greene, *op. cit.*, p. 216
- ⁷⁰ *Ibid*, pp. 295-306
- ⁷¹ E. J. C. Duru, *Oil multinationals and the Niger Delta crises: Issues and Perspectives*, African Scholars Publishing Company, Owerri, 1999, p. 1. Also see O. Lolomari, *The Evolution of Nigerian oil policy, Proceeding of the 1976 Annual Conference of the Nigerian Economic Society*, published by the Nigerian Economic Society, Ibadan, p. 13.
- ⁷² *Ibid*
- ⁷³ Scott R. Pearson, *Petroleum and the Nigerian Economy*, Standford University Press, Standford, 1970, p.15.
- ⁷⁴ *Ibid*, p. 18
- ⁷⁵ Augustine A. Ikein, *The impact of oil on a Developing Country: The case of Nigeria*, Praeger, New York, 1990, p.3
- ⁷⁶ *Ibid*, p.4
- ⁷⁷ *Ibid*, p. 28
- ⁷⁸ O. Lolomari, *op. cit.*, p.14
- ⁷⁹ Scott. R. Pearson, *op. cit.*, p.22
- ⁸⁰ *Ibid*
- ⁸¹ *Ibid*
- ⁸² *Ibid*, p. 178
- ⁸³ *Ibid*, p. 177
- ⁸⁴ *Ibid*
- ⁸⁵ I. A. Akinjogbin and S. O. Osoba (edt): *Topics on Economic and Social History*, University of Ife Press Ltd, Ile Ife, 1980, p. 217.
- ⁸⁶ *Ibid*
- ⁸⁷ *Ibid*

- ⁸⁸ B. A. Osuno, *The 1987 Report of the Petroleum Inspectorate of the NNPC*, G. B. Ejobare Publishers, 1987, p. 33
- ⁸⁹ Ibid
- ⁹⁰ Scott R. Pearson, *op cit*, p. 58
- ⁹¹ Ibid, p. 59
- ⁹² Ibid, p. 143
- ⁹³ Ibid
- ⁹⁴ I. A. Akinjogbin and S. O. Osoba, *op. cit*, p. 219
- ⁹⁵ Scott R. Pearson, *op cit.*, p. 112
- ⁹⁶ Ibid, p. 113
- ⁹⁷ Ibid, p. 141
- ⁹⁸ Ibid
- ⁹⁹ Ibid
- ¹⁰⁰ Ibid, p. 142
- ¹⁰¹ Ibid, p. 147
- ¹⁰² Ibid, p. 149
- ¹⁰³ Ibid
- ¹⁰⁴ Ibid
- ¹⁰⁵ Ibid, p. 151
- ¹⁰⁶ Ibid, p. 152
- ¹⁰⁷ J. Isawa Elaigwu, *op. cit, p*
- ¹⁰⁸ Frederick Forsyth, *op. cit*, p. 45
- ¹⁰⁹ John de St Jorie, *op. cit*, p. 141. Also see A. H. M. Kirk-Greene, pp. 103-5
- ¹¹⁰ Ibid, pp. 141 – 2 *op. cit*
- ¹¹¹ A. H. M. Kirk-Greene, *op cit*, pp. 103-5
- ¹¹² N. U. Akpan, *op. cit.*, p. 64
- ¹¹³ Ibid
- ¹¹⁴ Ibid
- ¹¹⁵ John Hatch, *Nigeria: A History*, Heinemann Educational Books, Ibadan, 1971, p. 224
- ¹¹⁶ Oyeleye, Oyediran (ed) *Nigerian Government and Politics under Military Rule, 1966-79*, Macmillan Press Ltd, Ibadan, 1970, pp. 126-7
- ¹¹⁷ Ibid, p. 44
- ¹¹⁸ Adewale Ademoyeya, *op. cit.*, p. 137
- ¹¹⁹ John de St. Jorie, *op. cit*, p. 81
- ¹²⁰ Ibid, p. 111

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