

# **POLITICAL ACCESS AND CAPITAL ACCUMULATION : AN ANALYSIS OF STATE LAND ALLOCATION PROCESSES AND BENEFICIAIRES IN NIGERIA**

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## **Introduction**

The distribution of authoritatively determined land use rights is an important indicator of the nature of the local political economy. In contemporary Nigeria, statutory rights to land are viewed as more secure and valuable than customary rights. They provide a degree of legal, state-enforced security of tenure that is not afforded by customary rights, squatting, or land purchases on the secondary market (see Frishman, 1977:391; Goonesekere, 1980:33,36; Hamma, 1975:59). The state has exclusive control over the allocation of statutory rights of occupancy. This power has assumed growing importance, particularly in major urban areas, as state governments have increasingly exercised their virtually unfettered authority to acquire land through expropriation (see Kaduna State, 1981:6-47, 55; Sano, 1983:34). The standard practice is for a state to expropriate farmland with inadequate or no compensation, designate the area a layout, and subdivide it into residential, commercial, and industrial plots which are then re-allocated under statutory certificates of occupancy (C of O).

The process of allocating statutory titles, and its distributional outcomes, are the primary concerns of this article. The importance of state intervention for indigeneous capital accumulation and class formation is widely recognized (see Ollawa, 1983:147-8). Control over the distribution of land use rights provides a particularly potent means by which the state bureaucratic bourgeoisie can promote its own

class interests and/or act in a comprador role. C of O can be allocated in a fashion which facilitates or retards foreign, comprador or autonomous local capital accumulation (Cooper, 1981:18, 20-1; Biersteker, 1980:1-17, 30-4). The distribution and allocation of statutory rights of occupancy, therefore, offers an especially fruitful basis for class analysis. For this reason, of course, the evidence required to document land allocation patterns is extremely difficult to collect. This study focuses on allocations of statutory certificates in two northern states of Nigeria: Kano and Bauchi. Through information collected from a sample of C of O application files, we are able to identify the specific elements of the population admitted to and excluded from the land allocation process at the state creation (1976) and post Land Use Decree (1979) junctures in Nigeria's recent political history, and to assess class strategies and prospects for capital accumulation.

Individuals and organizations that acquire official title over urban and rural plots of land are in an advantageous position to accumulate capital, apply scarce resources, control means of production, and amass material goods and human services by exploiting those who are denied access to this basic economic resource. Nigerian and transnational firms and entrepreneurs who obtain commercial or industrial plots are able to undertake new or expanded forms of capitalist economic activity. Recipients of residential plots are in a position to profit from the "easier forms of urban real estate speculation and compradorism" (Cooper, 1981:21). This includes the rental of constructed housing units, and the sale of property improvements and the compensated assignment (transfer) of their right of occupancy (Frishman, 1977:333-5); Kaduna State, 1981:43). Major financing institutions treat the C of O as necessary collateral against various types of loans, including bank mortgages, and commercial and agricultural credit (Goonsekere, 1980:17-8, 26,33,42; Famoriyo, 1979:10). Holders of statutory rights of occupancy thus possess privileged access to domestic money markets and secure loans at favorable terms which can be utilized for private capital accumulation and investment (Hamma, 1975:77; Forrest, 1981:242). To cite just one example from the Kano files examined in this study, an estate surveyor requesting a plot in the G.R.A. Extension (Hotoro) noted that his firm had promised to loan him 60,000 Naira for the construction of a house "If I am allocated a plot." The Kano State government awarded the plot to him in 1979. Within a year, he had been granted permission to mortgage his C of O to Union Bank Nigeria for 100,000 Naira. With this money, he planned to build three bungalows (for rental purposes) on the Hotoro plot. In short, possession of a statutory C of O

constitutes a required ticket for admission to the most lucrative domestic sources of capital accumulation (rents, real estate speculation, subsidized agricultural schemes, productive industrial investment, major commercial undertakings) available today in Nigeria.

The main objectives of this study are to explicate how individuals and organizations gain access to the land allocation process and to document the beneficiaries of government C of O awards in two northern states. The research results reported here are based on field work conducted by the author in Kano and Bauchi between January 1979 and August 1980<sup>1</sup>. The principal sources of information utilized in the C of O beneficiary study are the land application registries maintained by the Ministry of Lands (Works) and Survey and the individual applicant files acted upon by the Ministry<sup>2</sup>. The selection of Kano and Bauchi states permits comparisons between an established and a new state, and between a northern state which is relatively industrialized and one which is not. The first time period selected for investigation and analysis (1976) coincides with the creation of Bauchi State and initial development of the new state capital. The second interval (1979) constitutes the latest time frame following promulgation of the Land Use Decree in late March 1978 for which I could collect a complete calendar year of data regarding the actions taken on C of O applications. The intervals selected also include the first full year of the reformist Murtala-Obasanjo regime and its last year, during which the transition to Nigeria's Second Republic occurred.

### **Administrative Regulations and Practices in Kano and Bauchi States**

The land allocation process in Nigeria is regulated by federal laws, but controlled by state government actions<sup>3</sup>. The principal legal measures are the Land Tenure Law (1962) and the Land Use Decree (No.6 of 1978). In sweeping terms, section 1 of the 1978 Decree provides that "all land comprised in the territory of each state in the federation are hereby vested in the Military Governor of that state and such land shall be held in trust and administered for the use and common benefit of all Nigerians in accordance with the provisions of this Decree". One aspect of this study is to explore how the Decree's mandate that land shall be "administered for the use and common benefit of all Nigerians" has affected the allocation of statutory rights of occupancy over state land in the initial period following its promulgation. From this perspective, the formal provisions embodied in the Decree are likely to prove less significant than "the manner of implementation." The only meaningful test of the Decree's impact is

"who are the beneficiaries?" (Okpala, 1979:16).

Decisions on the award of statutory rights of occupancy over specific parcels of land are made by a handful of state government officials. Section 5 of the Land Use Decree vests final authority to grant a statutory C of O over urban and rural land in the Military Administrator. High-ranking administrative and professional officers in the Ministry of Lands (Works) and Survey and the state Urban Development Board also perform central roles in the application review process. The 1978 Decree further requires the establishment of a state Land Use and Allocation Committee. This Committee is charged with advising the chief executive "on any matter connected with the management of land" in designated urban areas (Section 2). In October 1979, newly elected civilian governors assumed the roles previously (and subsequently) assigned to the military administrators.

In both Kano and Bauchi, state authorities have applied official regulations in a manner that prevents the urban and rural poor from securing statutory rights of occupancy (see Koehn, 1984:61-4). Lubeck (1979:39) maintains that government officials allocate land to individuals in Kano in exchange for monetary compensation which is beyond the means of most rural and urban residents (also see Kaduna State, 1981:40); Salau, 1980:52). The Kaduna State Land Investigation Commission (1981:40) uncovered "many cases" where "officials in charge of plot allocations use phantom names...[to] acquire several plots in a single layout. These plots they later sell through various shady land dealers... In this and other ways, officials connected with land allocation amass substantial wealth." Sule Hamma (1975:72-3) also reports that, in the early 1970s, influential people appealed directly to the Military Governor of Kano State for award of the choicest residential and industrial plots allocated "on the maps in his office." He found (pp.77-8) that:

*"plots were... allocated not in conformity to any procedure, or even due regard to the avowed philosophy of the National Plan that aimed at building an egalitarian society. On the contrary they were given to members of the power elite in a calculated strategy aimed at consolidating power. So the Commissioners, senior civil servants, big businessmen and the local government authority leadership all gained in this game. They built houses in the Township which were taken over by government on [a] two year advance rental basis...[;] giving them further capital for investment in various sectors of the economy... [N]ational leaders too were allocated plots by the Governor and his regime*

*maintained complete control over things enjoying the support or connivance of the centre."*

In his 1978 application for a G.R.A. plot in Kano, the only non-indigene member of the Kano State Investigation Panel established by the Murtala Mohammed Administration to inquire into the behaviour of former civil commissioners and civil servants complained that "all the other members of the Panel were given a plot each except myself." The Ministry awarded his G.R.A. plot in 1979. To accompany their 1978 applications for plots in Kawaje Layout, three confidential secretaries, a personal assistant, and an orderly to the S.M.G. of Kano State submitted a cover letter on official stationery to the permanent secretary of the Ministry of Lands and Survey "through" the S.M.G. The Kano State government granted their plot requests in 1979. These examples of practices which are encountered throughout Nigeria show how superior knowledge of bureaucratic operations and privileged access to officials in charge of the application process have enabled wealthy and strategically situated individuals to acquire a disproportionate share of the limited number of statutory C of O allocations made by the state. This share includes, in some cases, the award of multiple plots - even though that practice is no longer legal. The Kaduna State Land Investigation Commission (1981:40, 42) concluded that "the whole system of plot allocation is shrouded in bureaucratic entanglement which only the rich and the powerful and those in one way or the other connected with them are able to penetrate."

Access to the land allocation process is controlled principally through imposition of the requirement that applicants demonstrate sufficient financial capacity to complete appropriate improvements on a plot within a stipulated time period (usually 2-3 years). This regulation, which is a relic from Nigeria's colonial past, provides the official grounds on which process gatekeepers refuse to consider numerous statutory C of O applications and discourage countless other potential applicants (Hamma, 1975:52; Goonesekere, 1980:12-15). Petitioners must satisfy state officials that they possess or can obtain substantial sums of capital which can be used to develop (i.e., build upon) land in an appropriate and timely fashion. In Kano, the amounts required in 1973 were 10,000-20,000 Naira for residential accommodations, 50,000 for commercial establishments, and 100,000 for industrial firms (Frishman, 1977:294,387). In Bauchi, 40,000 Naira constituted the minimum value of improvements expected by the state in 1978 on residential plots found in government layouts (Dar al-handasah, III, 1978:IV.3). Such minimum qualifications effectively

exclude the bulk of the rural and urban populace from the state arenas in which statutory land use rights are awarded (see Salau, 1980:52-3; Kaduna State, 1981:43). For instance, an estimated 70 per cent of the total urban labor force in Kano earn less than half of the minimum government wage (Frishman, 1986:61).

### **Outcomes of the Land Allocation Process**

Both the general and the detailed results of this study confirm that the land allocation process in Kano and Bauchi operates in a fashion that is biased in favour of the wealthy and the well-connected and that the Land Use Decree did not remove the principal barriers to broader participation by the poor rural and urban resident in the award of statutory rights of occupancy. In addition, the data reveal the specific class biases which exist in the pool of applications acted upon and C of O awarded by Kano and Bauchi state government officials.

### **General Patterns**

Entries recorded in registries maintained by the two states enable us to identify some general statutory land allocation patterns and trends. From the time Kano became a state in 1967 through 31 December 1976, the government approved 2,274 statutory C of O. It granted 6,048 additional land use requests between 1 January 1976 and 31 January 1980, the majority (3,557) in the interval following promulgation of the Land Use Decree on 31 March 1978 and prior to Governor Abubakar Rimi's freeze on new allocations which went into effect on 1 February 1980<sup>4</sup>. By 1980, then, fewer than 9,000 persons held statutory titles to rural and urban land in Kano State. The total adult population of the state in that year is estimated to have exceeded 3.5 million<sup>5</sup>. These figures starkly reveal the narrow scope of state government land allocation.

Moreover, the small proportion of statutory rights of occupancy awarded over urban land relative to demand has forced many people into the secondary market, particularly in the densely populated Kano metropolitan area. This has driven unregulated land sale prices far beyond the reach of the poor as well. Two results are the exploitation of increasing numbers of unsubsidized tenants and squatters and a widening of the gap between landlords and the landless (see Frishman, 1977:335,393-6; Mohammed, n.d.; Dar al-handasah, I, 1978:B.6; Lubeck, 1979:39; Kaduna State, 1981:43; Sada, n.d.:74).

The Kano State Ministry of Lands and Survey recorded a total of

652 applications in its industrial registry between 5 November 1976 and 13 February 1980<sup>6</sup>. Out of this total, 418 are for industrial plots. The rest are primarily commercial plot applications. Private firms submitted 322 of the registered industrial plot applications (77%), and individuals submitted 96 (23%). Among the company applications, roughly a dozen land requests had been submitted by or on behalf of transnational corporations, although there are undoubtedly others which cannot be identified on the basis of registry analysis<sup>7</sup>. Applicants based in Kano State submitted 350 industrial applications (84% of the total); those in Lagos, Kaduna, and other places submitted 53, 6, and 9 requests, respectively. Relative to Bauchi State, at least, the number of plot requests filed by local enterprises indicates that indigenous entrepreneurs had undertaken a substantial amount of new or expanded manufacturing activity in the important Kano industrial center (see Biersteker, 1980:34).

Between 1971 and 1975, the Northeast State Ministry of Works and Survey registered 618 applications for land within the present boundaries of Bauchi State. Land registration activity increased dramatically following the creation of Bauchi State. Ministry of Works and Survey records indicate that it awarded a total of 3,064 statutory C of O to non-governmental applicants through 30 June 1980 (Chief Estate Officer, Lands Office, Bauchi State Ministry of Lands, Housing, and Environment, 30 June 1980). Specifically, the government granted statutory titles over 2,044 residential plots (67% of the total); 806 commercial plots (26%); 88 industrial plots (3%); 20 plots for farming purposes (1%); and 106 plots for religious use (churches, mosques) (3%). The total number of C of O awarded amounts to a tiny fraction of the adult population of Bauchi State, estimated at more than 1.5 million persons in 1980 (see Dudley, 1982:199,201).

In Bauchi State, government agency submissions constituted a relatively high proportion (16%) of the total number of applications registered between May 1976 and July 1979. The Kano State government granted C of O to only 69 public agencies between 1976 and 1979. Over the same time frame, it awarded statutory rights of occupancy to 572 private organizations. It is interesting to note that the number of individuals holding military titles who secured allocations in Kano State increased dramatically in the last year prior to the return to civilian rule (76); the total over the previous three years is 48.

Furthermore, counting the number of files allotted to selected

individuals in the registry confirms that influential figures in Kano have been issued multiple plot allocations by the state. One Kano family of businessmen succeeded in accumulating statutory rights of occupancy over 100 plots between 1967 and 1979. Other well-known Kano names appear between 3 and 30 times in the registry. In 1975, the newly appointed Military Governor of Kano State revoked a number of the C of O which the previous governor had granted over plots in the Airport Road New Layout. After determining that holders had not been awarded another C of O, the new governor reallocated these plots on 18 September 1975. Nevertheless, multiple plot allocations continued to be made. One investigation reported in the Kano files found that an employee of the Ministry of Lands and Survey had been allocated two plots in Takuntawa Layout by the former Commissioner in the same month (September 1979).

### **Detailed Analysis of Beneficiaries**

Precise information concerning the backgrounds of C of O applicants and recipients has not been readily available in the past. The limited evidence which has been made public, usually as a result of official investigations into allegations of malpractice, suggests that politically influential individuals have been the chief beneficiaries of the state land allocation process. Following the overthrow of the Gowon regime in 1975, for instance, the press published lists revealing extensive acquisitions of land use rights in the Lagos metropolitan area by top civil servants and other public figures (Collins, 1977:141). Based upon evidence compiled from the reports of official probes into land allocation practices in the former Western Region (1959-62), Lagos (1960-67), and the former East Central State (1970-75), Okpala (1979:16-20) concludes that:

*"State lands and other publicly controlled and managed land resources essentially benefit and are in fact monopolized by otherwise privileged groups and individuals - highly placed public servants, politicians, the economically powerful and the relations and friends of these privileged groups. In fact, the list of beneficiaries of publicly allocated lands in the past has generally read like a political "Who's Who" (also see Sada, n.d.:76).*

In 1981, the Land Investigation Commission appointed by Governor Abdulkadir Balarabe Musa concluded that widespread favoritism had rendered the award of rural and urban rights of occupancy in Kaduna State "the sole preserve of power and wealth"



(Kaduna State, 1981:40-3). In a revealing editorial reaction to the Commission's report, the New Nigerian remarked (14 November 1981) that "we share apprehensions ... that the government is about to embark on a whole-scale revocation of the land allocated to the well-to-do under the pretext that they were unjustly acquired. That, clearly, would bring about a crisis of major proportions."

By examining specific application files, this study is able to contribute to the body of evidence available on the allocation of different types of land use rights in a fashion that will allow more precise distinctions to be drawn among C of O applicants and grantees according to class, sector, and even organizational affiliation. Such results are particularly valuable since the distribution of statutory rights of occupancy is an important indicator of the extent to which the bureaucratic bourgeoisie, indigenous entrepreneurs, and representatives of foreign firms control the state and local levels of Nigeria's political economy. From the sample of files randomly selected for detailed analysis, it is possible to analyze applicant background characteristics and the factors associated with different outcomes in the pre- and post-Decree periods<sup>8</sup>.

In establishing the context for this analysis, one should recall that the statutory land allocation process is devoted principally to requests for residential plots. Applications for residential purposes constitute three-fourths of the sampled files. Moreover, a decided urban bias exists in the C of O applications acted upon by the Kano and Bauchi state governments. About 90 per cent of the petitioners in the total sample specifically applied for plots that are located in urban areas or towns<sup>9</sup>.

One objective in examining the sampled application files is to determine which social characteristics are associated with access to the state land allocation process and privileged capital accumulation opportunities. In the first place, analysis by current place of residence shows that urban applicants possess superior access to the state land allocation process. In Kano State, for instance, residents of the capital city local government submitted three-fourths of the applications requesting conversion of customary to statutory rights for agricultural purposes. These applicants are not farmers; they include business persons, contractors, speculators, and others seeking to use the state allocation process to obtain secure agricultural land use titles both in the rural periphery and in the high-demand outskirts of the rapidly expanding capital city (also see Beckman, 1982:13).

The application files study also suggests that firms and individuals based in Kano control a major part of the expanding commercial sector in the northern states. Kano city applicants presented 2 of the 3 industrial plot requests and nearly all of the new commercial plot applications. Furthermore, the second largest proportion of commercial applications acted upon in Bauchi State came from petitioners based in Kano city.

Private and public sector applicants secured relatively balanced access to the land allocation process. With the inclusion of organizational applicants, the private sector accounted for slightly more than half of the overall sample of C of O requests for which information is available. Public sector employees initiated 56 per cent of the sampled applications for new residential plots acted upon in 1976 and 1979, while private sector applicants clearly predominated among those requesting new commercial and industrial plots (84% and 100%, respectively). The three requests for new commercial plots prepared by public sector applicants (a state parastatal, a member of the armed forces, and a state government official) are found in the Bauchi sample. Overall, the evidence from this study indicates that the land allocation process has not been widely used by the state bureaucratic bourgeoisie to penetrate the industrial or commercial sector.

When organizational applicants are excluded from the analysis, we find that self-employed business persons, traders, and contractors submitted nearly half of the application forms on which occupational information is reported. Eighteen (7%) of the 265 sampled files acted upon in the two states listed senior managers or owners of large private firms (including transnational corporations) as the applicant; another 2 per cent came from employees of such firms and banks. State ministry and parastatal officials (23%) head the list of public employees whose applications have been considered in Kano and Bauchi. Agencies involved in reviewing C of O applications (Ministry of Lands and Survey, Urban Development Board, Cabinet Office) managed to place a particularly large number of their personnel among those applicants whose requests for statutory land use rights are acted upon. Members of the Nigerian army and police also claimed a sizeable share of the applications treated in 1976 and 1979. In contrast, farmers and drivers submitted only 2 each of the sampled files in the two states, and none belonged to a laborer.

In the sample selected, 121 applicants reported their annual salary or income. The information they provided confirms that low-income applicants have been denied access to the state land allocation process.

Although the majority of families in Kano and Bauchi earned less than the minimum government wage of 1,200 Naira in 1980, neither state government acted upon a single C of O application from a petitioner whose self-reported salary/income fell below 1,300 Naira. In addition, the treated land requests involved proposals to complete improvements valued at amounts that are far beyond the means available to most inhabitants of Kano and Bauchi States (see Dar al-handasah, I, 1978:B.14; Koehn, 1983:476).

The value of access to the land allocation process is apparent from the overall success rate for the available sample of files acted upon. Gatekeepers in the two states awarded statutory C of O in 80 per cent of the cases they accepted for consideration; only 11 per cent of the applications acted upon had been clearly rejected by 1980. One type of C of O request had not been approved by a state in the majority of cases. The Kano State government refused to approve three-fourths of the new commercial plot applications it entertained.

Further confirmation regarding the importance of access to the process is available from the minutes of four meetings of the Bauchi State Land Use and Allocation Committee held between the time it first convened on 28 September 1978 and 23 April 1980<sup>10</sup>. The Committee recommended for approval 89 per cent of the 1,083 C of O applications presented following Ministry of Works and Survey evaluation; it rejected (recommended against approval) only 57 files (5%). Members opted to defer any action in the remaining cases. All of the rejections involved residential or residential-commercial plots; the Committee did not produce a single recommendation for final disapproval among the strictly commercial (78), industrial (23), and agricultural (39) land requests it reviewed. With the possible exception of industrial plot requests, where lack of Ministry of Trade and Industry clearance is frequently cited as a reason for deferring action, these findings reveal that securing consideration of one's application in Bauchi State has virtually guaranteed receipt of a valuable and potentially high profitable C of O when an urban or rural business activity constitutes the proposed land use. In the case of new residential plot applications, the Bauchi State Land Use and Allocation Committee rejected those submitted by individuals who failed to pass its version of the "means" test. Nearly all of its recommendations for disapproval questioned the "ability" of the applicant to develop the plot or cited the applicant's possession of an "undeveloped" plot as the basis for rejecting the current request.

We next analyze the total sample of application files for

associations between selected applicant attributes and the outcome of their C of O requests. Private business sector (113) and state government ministry (50) applicants predominated in the pool of successful petitioners. The two governments rejected 23 per cent of the C of O requests presented by private sector applicants, but only 9 per cent of the public sector applications. Public and private organizational applicants fared considerably better in Bauchi (94%) overall success rate (Naira = 16) than they did in Kano (57%; Naira = 7). Indeed, in July 1979, the Commissioner of the Kano State Ministry of Lands and Survey reduced by 43 the number of plot allocations made to 16 government organizations and private firms in Hotoro G.R.A. and Kawaje Layout through revocation of C of O and the denial of approved applications where certificates had not yet been issued. The organizations most seriously affected by this decision were the Kano Cooperative Federation (8 plots), the Kano Cooperative Bank (7), Nigerian Institute of Trypanomiosis (5), the defunct RDA (4), and NTV Kano (3)<sup>11</sup>.

In terms of occupation, individuals (principally in Kano State) who identified themselves as farmers had the lowest rates of success in securing state approval for their requests (50%). While 70 per cent of the self-employed traders received an award, the success rate for state government officials, officers in the armed forces, and owners or senior managers of banks and private business firms exceeded 85 per cent. The results also revealed that well over half of the approved C of O requests had been granted to applicants with incomes in excess of 6,000 Naira. These findings confirm that certain applicant characteristics are related positively and negatively to the outcome of the state land allocation process. Nevertheless, the biases which have the strongest effect in determining who benefits and who is excluded from statutory awards operate at the initial access stage.

Within the small pool of those allowed entry, a limited degree of competition for the award of statutory certificates occurred among elements in the dominant class. For instance, the new permanent secretary in the Kano State Ministry of Lands and Survey conceded, in a note to the Commissioner dated 12 March 1980, that the July 1979 reduction in C of O granted to organizations "was certainly made with a view to satisfying some pressure groups since most of the revoked plots were reallocated to individuals." In addition to (shifting) differences in the amount of influence possessed by individuals who are eligible for admission to the land allocation process, outcomes are affected by important local concerns. At its 15 April 1980 meeting, the Bauchi State Land Use and Allocation Committee adopted an

explicit policy that "indigenes of Bauchi State should be given preference over non indigenes" in the allocation of plots. The Committee then refused to recommend that C of O be awarded to 13 non-indigene applicants (including 3 from Oyo State, 2 each from Borno and Bendel, and 1 Lebanese resident); it deferred ten of these files "until applications by indigenes are cleared." Finally, land use planning considerations and technical criteria are not completely overlooked by administrative gatekeepers (see Koehn, 1983:476).

### **Capital Accumulation Strategies**

In the sample selected for analysis, 5% of the C of O recipients had officially transferred their titles via notarized, government-authorized sales and an additional 6 per cent had legally mortgaged their certificates of occupancy by 1980. Fully 90 per cent of the statutory titles transferred or mortgaged involved plots allocated for residential purposes. Most (70%) of the individuals who sold their rights of occupancy are employed in public sector occupations. Individuals, rather than firms, purchased the vast majority of the C of O which had been reassigned. The reported sale price ranged from 4,000 Naira to 50,000, with purchasers securing a majority of the plots for less than 13,000 Naira. Slightly more than half of those who mortgaged their titles held public service positions. The value of the low-interest mortgages obtained by those in the sample ranges from 30,000 Naira to 200,000; most amount to more than 60,000 Naira. These findings show that, for grantees with access to lending institutions, mortgaging a C of O provides a superior avenue for accumulating capital relative to plot transfer (sale).

Four cases drawn from the Kano files illustrate how the mortgage of a C of O over an urban residential plot is used as a means of private capital accumulation in Nigeria. In the first, an employee of the Kano Cooperative Bank offers in May of 1979 to purchase the right of occupancy over a plot in Gyadi-Gyadi Layout which the original awardee had secured in 1977. In August 1979, the Ministry of Lands and Survey approves the transfer. A notarized deed of sale for 50,000 Naira is signed by both parties to the transaction in November. Three months later, the new holder applies for permission to mortgage the property covered by the C of O to his employer. The Ministry approves his request in March of 1980 and the employee obtains an 80,000 Naira mortgage from the Kano Cooperative Bank. The second case involves a residential plot in the Airport Road New Layout awarded in 1976 to a member of the Bayero University College staff. In August 1977, he asks for consent to mortgage his C of O to the

Bank of the North for a short-term loan of 7,000 Naira. Two months later, he applies for permission to sublease four flats on the plot to a construction company for an annual rent of 12,000 Naira (with the first year's rent fully paid in advance). In May of 1980, he reports that his previous mortgage has "lapsed" and applies for permission to mortgage the property covered by his C of O to the Bank of the North for 80,000 Naira. The Ministry quickly approves each request. This file is particularly informative. Through possession of a statutory C of O and access to a lending institution, the university staff member managed within four years to erect rental units with the aid of an initial mortgage and to secure a second low-interest bank loan of 80,000 Naira by presenting as collateral property from which he continued to collect 12,000 Naira annually in rent income. In a third case, the Ministry allows one of its own officials (a GL 09 civil servant) to mortgage his plot in the Kundila Housing Estate to the Bank of the North for 75,000 Naira in October 1979. This intermediate level employee of the Ministry of Lands and Survey had already managed to purchase a house valued at 65,000 Naira on the Kundila plot. Finally, a District Head requests that his customary right of occupancy over a 27-acre farm two kilometers outside of Wudil town be converted into a statutory holding. The Ministry of Lands and Survey grants him a C of O in 1978. In September of 1979, he applies for permission to mortgage the C of O to the Arab Bank of Nigeria for 35,000 Naira. The Ministry approves this request in January 1980.

The four cases described in detail here indicate the value of receiving a statutory land use allocation from the state. In order to obtain a sizeable mortgage at favorable terms, one must possess a C of O. Personal connections play an important part in determining which holders of statutory rights of occupancy will be issued a mortgage or loan by the banks. In the absence of the required connections, a grantee may settle on the sale of his/her right of occupancy for a smaller sum to another individual who is positioned to secure a mortgage upon presentation of a C of O. Following a land sale transaction, state officials again perform a crucial gatekeeping role. The Ministry must record its approval of any "transfer" in order for the purchaser to receive secure statutory title to the land. The files only report the purchaser's name when the state government authorizes the reassignment of a C of O. In the Kano sample, a handful of businessmen secured a large share of the authorized transfers. Since the legal limitations governing new C of O allocations do not apply, the secondary transaction arena offers wealthy individuals and those who are fronting for corporations an unrestricted "backdoor" opportunity to accumulate

statutory rights over multiple plots of valuable urban land.

It also is noteworthy that the Bank of the North Ltd issued nearly half of the authorized mortgages in the sample of files selected for study and that state government officials involved in the land allocation process are among the recipients of those capital outlays. Officials in this particular bank have fared especially well in terms of access to statutory rights of occupancy. Among the sampled files, state gatekeepers acted upon requests submitted by Bank of the North employees more frequently than they did for staff of any other private business firm or bank (see Koehn, 1983:474). This occurred even though Kano State had issued 10 residential C of O to the Bank of the North in 1976 for the purpose of building housing quarters for its staff<sup>12</sup>. These findings suggest that a particularly close symbiotic relationship evolved between the state bureaucratic bourgeoisie and officials of the Bank of the North, whereby the latter granted the former relatively easy access to mortgage capital in exchange for the award of statutory land use rights, and vice versa.

### **Impact of the Land Use Decree**

#### *Access*

The initial impact of the Land Use Decree of 1978 on access to the allocation process should be manifest in the sample of files first acted upon in 1979. Analysis of the data collected reveals that the attributes possessed by applicants in the 1979 sample do differ in certain important respects from those present among the 1976 sample. However, the findings do not support the contention that the Decree promoted admission of the rural and urban poor to the state land allocation process.

A majority (57%) of the income-reporting applicants who gained entry to the process in 1976 earned an excess of 20,000 Naira. The proportion of treated applications which petitioners in this income bracket submitted fell to 23 per cent in 1979. In contrast, applicants earning between 3,000 Naira and 15,000 accounted for 30 per cent of the files first acted upon in 1976 and 65 per cent of those entertained by the two states in 1979. Petitioners at the lowest income level (1300 Naira to 2500), however, experienced less success in gaining access to the state land allocation process in 1979 (12% of the files acted upon) than they had in 1976 (14% of those considered). Probing further, we discover that individuals employed by public agencies increased their share of applications acted upon from 36 per cent in

1976 to 42 per cent, while persons in private occupations experienced a corresponding decline from 64 per cent to 58 per cent in the first year subsequent to promulgation of the Decree (Naira = 265). Applicants reporting affiliation with agencies involved in the state land allocation process recorded the most dramatic increase in applications acted upon (11% of those treated in 1979 versus 2% in 1976). Petitioners affiliated with branches of the armed forces or police and federal government agencies slightly increased their share of the applications acted upon by the state (from 3% to 6% in both cases). Applicants reporting association with domestic business firms experienced the sharpest decline in access to statutory C of O; they accounted for 14.9 per cent of the files acted upon in 1976, but only 7.5 per cent of those considered in 1979.

To summarize the main findings in this part of the study, applicants connected with state land allocation agencies, the armed forces, and federal government ministries or parastatals all improved their access to the process in the post-Decree period. Petitioners earning between 3,000 Naira and 15,000 increased their share of the sampled requests considered by Kano and Bauchi states from less than one-third in 1976 to nearly two-thirds in 1979.

#### *Awards*

The impact of the 1978 Land Use Decree on the award of statutory titles by the state can be assessed by comparing the attributes possessed by beneficiaries in pre- and post-Decree intervals. The application files study reveals that post-Decree C of O recipients in the two states differ from the pre-Decree beneficiaries represented in the sample in two interesting respects. First, public sector applicants increased their share of all statutory awards in the 1978-1980 interval. State and federal ministry and military/police petitioners accounted for nearly all of the increase, with those affiliated with state land allocation agencies benefitting the most. The proportion of C of O awards granted to private sector applicants declined. Applicants engaged in commercial endeavours experienced the largest decrease in allocations.

In the second place, the income structure of successful applicants changed in certain ways in the immediate post-Decree period<sup>13</sup>. Petitioners, including business firms, with annual earnings at or above 20,000 Naira received 58 per cent of the C of O awarded in the pre-Decree sample and only 16 per cent of those granted following promulgation of the Decree. Applicants at the 3,000 to 5,880 Naira and 6,000 to 15,000 Naira income levels made major gains in securing



statutory rights of occupancy in the 1978-1980 interval. The former increased their share of all C of O awarded from 13 to 36 per cent, while applicants with annual earnings ranging from 6 Naira to 15 thousand secured 17 per cent of the pre-Decree allocations and 33 per cent of the post-Decree grants. Public agencies employed about 7 out of 10 of the successful applicants in these two income categories. The 3,000 Naira to 5,880 income range corresponded roughly to GL 07-10 in the public service (mainly executive and technical officers), while the second category encompassed public servants at GL 11-17 (administrative and professional officers).

Considered jointly, the findings on the sectoral and income backgrounds reported by successful C of O applicants prior and subsequent to 1978 indicate that a shift occurred in the allocation of land by the state to elements within the dominant class. Specifically, intermediate and senior level officers in the public sector gained an expanded share of the statutory land use rights issued by Kano and Bauchi States following promulgation of the Land Use Decree.

### **Conclusions**

Land allocation policies and decisions constitute a critical indicator of class action. The findings of this study confirm that state land allocation processes and requirements in Nigeria serve the interests of civil servants and military officers, private Nigerian businessmen, and the transnational corporate bourgeoisie (Williams and Turner, 1978:156). State government officials have effectively barred the rural and urban laboring classes from all types of statutory rights of occupancy. While competition exists for the limited number of C of O awarded by the state, the data collected on the distribution of rural and urban allocations through 1979 indicate that Kano and Bauchi gatekeepers principally have acted in an expedient fashion that protects and enhances the common class and political interests of the managerial bourgeoisie. Awards have been broadly inclusive of all elements comprising the commercial triangle, with the most strategically situated (e.g., officials involved in the land allocation process, bank officers) securing a slightly advantageous share.

The files also point to several means by which the land allocation process has been used to promote capital accumulation in the northern states and suggest that an informal understanding has evolved regarding the primary preserve of key elements in the dominant class. Access to statutory land use rights for agricultural undertakings has been open to urban applicants engaged in commercial activities and to

government agencies and officials (also see Beckman, 1982:13). New commercial and industrial plots generally have been reserved for wealthy individuals and private firms (particularly those based in Kano). Public officials, for their part, predominate among those who have received, sold, and mortgaged titles to plots located in the most desirable urban residential areas.

Finally, the findings of this study lend support to the skeptics who challenged provisions of the Land Use Decree on the grounds that its principal impact in the Nigerian political-economic context would be to enhance the ability of state authorities "to assemble land for the elite ..." (Okpala, 1979:17,20-1; also see Udo, 1977:9). Detailed analysis of post-Decree applications and awards in Kano and Bauchi indicates that the prevailing pattern of class domination had not been altered following the Decree. The rural and urban poor continued to be denied access to statutory titles. In Bauchi, the State Land Use and Allocation Committee applied a new "means test" in rejecting residential plot applications. In Kano, wealthy businessmen utilized "backdoor" methods (the official registration of purchased land) to acquire multiple statutory rights of occupancy. The land allocation process had at most been extended to incorporate additional intermediate-level civil servants into the small circle of those who are the beneficiaries of state control over rural and urban land. Senior government officers, particularly those connected with state land allocation agencies and the armed forces, also recorded gains in securing statutory C of O over residential plots in the immediate post-Decree period. In the absence of fundamental changes in Nigeria's political economy which are reflected in administration of the land allocation process, particularly at vital access points, the prospects appear remote that state governments will distribute land "for the use and common benefit of all Nigerians."

**Notes**

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1. The research reported here was assisted by grants awarded by the Joint Committee on African Studies of the Social Science Research Council and the American Council of Learned Societies, and the University of Montana.
2. Full investigation of a random sample of the files acted upon provides detailed, generalizable data concerning the nature of individual applications and applicant attributes. I attempted to examine every tenth file considered in 1976 and 1979 in order to draw a reliable sample for each type of land use request. With the removal of missing cases, the sample drawn amounts to about 8 per cent of all applications acted upon in both states for each year under study. Kano State applications (Naira =217) constitute 57 per cent of the total studied.
3. Local governments in the northern states confirm and confer customary rights of occupancy over land falling within an old city and over rural land found within their boundaries. Although not considered here, class biases in land allocation are pronounced at the local government level (see Kaduna State, 1981:19-24; Mohammed, n.d.).
4. Source: Right of Occupancy Register, Kano State, Ministry of Lands and Survey (as of May 1980). This register mainly records applications for statutory C of O that have been awarded by the Ministry. However, some C of O have subsequently been revoked; others have been rejected or are still pending final action. Although technically speaking all files that have been acted upon are recorded in these totals, we refer to registry results as though all have been approved since the actual status of the application cannot be ascertained without consulting each file.
5. This estimate is based upon figures agreed to in 1977 for the purpose of allocating seats in the Federal House of Representatives. See Dudley, 1982:199,201.
6. Source: Register of Industrial Plot Applications, Kano State, Ministry of Lands and Survey (as of May 1980).
7. See the discussion of "fronting" found in Biersteker (1980:23- 5,32). In one case reported in the Kano files, a 58 year old self-employed trader secured a C of O over a G.R.A. plot in 1979. In 1980, he subleased the plot to a construction firm for 1,000 naira per annum over the next 25 years. Asked to comment on the "correctness" of such transactions, the Principal Land Officer in the Ministry of Lands and Survey noted (1 April 1980) that "it is quite in order for a holder of a right of occupancy to arrange with a building company to develop the plot and occupy it for a certain number of years until the building company recovers the total amount spent on the buildings."
8. The results of this study are reported in greater statistical detail in Koehn (1982:16-20).
9. A primate (capital) city bias occurs in Kano State, but not in Bauchi.
10. The Committee reviewed requests for statutory rights of occupancy in four urban areas of the state - Bauchi, Gombe, Azare, and Misau. Minutes of Bauchi State Land Use and Allocation Committee meetings on 28 September 1978, 21 March 1979, 27 December 1979, and 23 April 1980. Actions taken on requests reviewed at the 3 other meetings held by the Committee during this period are not recorded in the minutes.

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11. Memo of 2 July 1979 from the Acting Permanent Secretary, Kano State Ministry of Lands and Survey; approved by the Commissioner on 3 July 1979. In a letter to NTV Kano, the new Commissioner reaffirmed the government's decision to reduce the number of plots it would be awarded (from 6 to 3) on 18 March 1980.

12. This (10 consecutive plots) is the most extensive residential allocation encountered in the Kano files. The Bank of the North lost two of its Hotoro GRA plots in the July 1979 revocation/ reduction exercise.

13. Annual salary/income data are available from the application forms for only 26 per cent of the pre-Decree grantees and 46 per cent of the post-Decree C of O recipients in the sample.

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## Résumé

L'économie politique d'une région quelconque peut se définir à partir d'un indice important, à savoir la manière dont les pouvoirs publics attribuent les droits d'utilisation des terres. Ainsi, aujourd'hui au Nigéria, les droits statutaires de propriété foncière offrent plus de garanties et ont plus de valeur aux yeux des populations que les droits coutumiers. En effet ils offrent un degré de jouissance des terres légal et garanti par l'état que ne peuvent conférer ni les droits coutumiers, ni le squatting ni les acquisitions de terres au marché non officiel. Seul l'état est habilité à attribuer des droits statutaires d'occupation et ce pouvoir prend une importance de plus en plus considérable dans les principales zones urbaines notamment au fur et à mesure que les gouvernements de chaque état déploient leur autorité quasi illimitée pour acquérir des terres par le biais de l'expropriation. En général l'état procède de la manière suivante: il exproprie des terrains en échange d'une compensation inadéquate ou sans dédommagement, en établit les levés topographiques puis les subdivise en lots résidentiels, commerciaux et industriels. Ceux-ci sont ensuite re-attribués avec des titres fonciers.

C'est donc le processus d'attribution des titres fonciers et ses retombées que cet article étudie essentiellement. Il met également en exergue le rôle crucial que l'état joue dans l'accumulation du capital et la formation de classes indigènes. De par le contrôle qu'elle exerce sur l'attribution des droits d'utilisation des terres, la bourgeoisie administrative a acquis des instruments particulièrement puissants pour favoriser ses intérêts et/ou jouer un rôle de comprador. Ainsi l'accumulation étrangère, comprador ou locale et autonome de capital peut être facilitée ou entravée selon la manière dont les titres de propriété sont répartis.

L'on peut donc effectuer avantageusement une analyse des classes à partir de la répartition et de l'attribution des droits statutaires d'occupation des terres. Cet article part de deux états au nord du Nigéria, sur lesquels il se penche pour développer les voies et moyens par lesquels les individus et les organisations parviennent à accéder au processus d'attribution des terres et révèle les bénéficiaires de ces titres de propriété octroyés par les gouvernements. L'auteur confirme également les résultats d'études antérieures selon lesquelles les processus d'attribution des terres appartenant à l'état et les conditions d'attribution seraient au service des intérêts des fonctionnaires, des

*militaires, des hommes d'affaires nigériens et de la bourgeoisie transnationale. En effet les fonctionnaires de l'état excluent systématiquement la classe ouvrière tant en milieu rural qu'en zone urbaine de toute possibilité d'acquérir des droits statutaires d'occupation des terres.*