NIGERIA AND THE EUROPEAN ECONOMIC COMMUNITY, 1970–1980: AN ANALYSIS OF THE PROCESSES AND IMPLICATIONS OF NIGERIA'S ASSOCIATION WITH THE E.E.C. UNDER THE FIRST LOME CONVENTION

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«As an African country, we consider that the common market is essentially a European Affair and has political overtones which cannot appeal to Africans... We are distrustful of any institutions which operate in a way to keep Africans perpetually as primary producers... We are... anxious to expand our trade outside traditional markets; for so long as the trade and industry of Africa are conducted with only one area of the world, so long will a feeling of dependency persist...»

– Sir Abubakar TAFAWA BALEWA, Nigeria's Prime Minister (1962).

«Nigeria cannot and will not contemplate any form of agreement or association with the Community which in any way savours of colonial or neo-colonial relationship».

– General Yakubu GOWON, Nigerian Head of State (1973).

«Despite (the benefits which Africa has derived from association with the E.E.C.), the Lome Convention remains basically a neo-colonial association which is nothing less than a partnership of unequals... The main fear one has is that the convention, if prolonged unduly, will constitute Africa into a permanent appendage of Europe...»

– Ambassador Olu SANU, Nigeria's former Ambassador to the E.E.C. (1978).

«After the implementation of the Lome Convention for a period of three years, it is difficult to avoid the conclusion that the Convention was established primarily to serve the neo-colonial interest of certain European powers. It is an agreement between two very unequal partners – the A.C.P. on the one hand and E.E.C. on the other. It probably serves the interest of very poor countries willing to sacrifice their independence for economic concessions of doubtful value».

– Ambassador G. O. IJEWERE, Ministry of External Affairs, Lagos (1978).

INTRODUCTION

Since the 1960's, Nigeria's attitude towards association with the European Economic Community has been ambivalent. Every Federal Government, Civilian or Military, has first opposed formal association and then, eventually, concluded an association agreement of one kind or another with the E.E.C. In September 1962, Sir Abubakar TAFAWA BALEWA, the Nigerian Prime Minister and his government rejected association

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under Part IV of the Treaty of Rome, insisting that the E.E.C. was «essentially a European affair which cannot appeal to Africans» and that to associate would be inconsistent with Nigeria's policy of non-alignment *(1)*. But, in February, 1963, the Federal Government appointed an ambassador to Brussels, Dr. Pius N. OKIGBO, and mandated him to explore the «possibilities, and the nature of the most suitable form of relations for Nigeria to enter into the Community» *(2)*. Dr. OKIGBO later secured from Europe an agreement on what he described as 'association *sui generis*'. *(3)* This association agreement was signed in Lagos in 1966 and ratified by the Federal Military Government of Nigeria in January 1968. But it never came into force until it lapsed because France and Luxembourg failed to ratify it *(4)*.

Similarly, in 1972, General Yakubu GOWON's government rejected association with the E.E.C. under Protocol 22 of the Treaty of Rome, on the ground that it savoured of neo-colonial relationship. Yet, by late 1973, Nigeria had, along with other African, Caribbean and Pacific states, begun negotiations with the E.E.C., which eventually led to the conclusion of the first Lome Convention in 1975.

This paper has two main objectives. The first is to explain this ambivalence in Nigeria's attitude and show how and why the initial policy of rejection of association was reversed. The second is to examine the extent to which the provisions of the agreement which was eventually concluded were satisfactory in the light of Nigeria's initial objections, and how far the operation of the Lome Convention either served or negated Nigeria's national interests.

The central argument of the paper is that while the initial rejection of association with the E.E.C. was based on the careful calculation of Nigeria's national interest, the reversal of the earlier decision represented a gradual surrender to external pressure as well as the working out of the dynamics of Nigeria's political economy. Nigeria's conclusion of an association agreement with the E.E.C. in 1975 was the end result of Nigeria's reluctant participation in the process of negotiations with the E.E.C. Not surprisingly, the Lome Convention did not and could not serve Nigeria's national interest. Indeed the provisions of the Lome Convention were harmful to Nigeria's national interests. Nigeria's continued association with the E.E.C. is best explained in terms of the inability of Nigerian rulers to consistently pursue and achieve the nation's interests by developing the appropriate strategies and mustering the necessary and adequate resources. In turn, this inability is the result of constraints constituted by the structure of Nigeria's economic relationship with the external (capitalist) world and the related capitalist and external orientation of the Nigerian leadership.

WHY NIGERIA REJECTED ASSOCIATION WITH THE E.E.C. 1970–1972

The decision of the military government under GOWON to reject associate status with the E.E.C. was made against the background of strained political relations with several Western European countries. Its beginnings could be traced to that time in Nigeria's history when the pressure of national survival forced Nigerian leaders to put national interest above all other considerations. As the memories of some of the events of the civil war receded and the pressure of survival became less potent, the pursuit of national interest tended to lose its urgency. Subsequently, Nigerian leaders became at once less conscious of the need to protect the national interest and more prone to the habit of merely responding to external stimuli and accepting policies which tend to perpetuate the *status quo* as long as they do not seriously threaten the interests of the ruling class.

The decision not to associate with the E.E.C. was first taken in the midst of the Nigerian civil war. Before the Lagos treaty lapsed, the Nigerian government indicated that it would not negotiate another association agreement with the E.E.C. Early in 1968, the Nigerian government had made futile efforts to get all the six member states of the Community to ratify the Lagos treaty. But France and Luxembourg did not co-operate *(5)*. So, in October 1968, as the second Yaounde Convention was being negotiated, the Nigerian Ministry of Trade announced that Nigeria would not enter into negotiations for a new agreement because she could not benefit from association. But by this time, the government was not in a position to consider the matter thoroughly as it was pre-occupied with the political and military problems of the civil war.

Three months following the end of the civil war the E.E.C. indicated its readiness to negotiate a new agreement with Nigeria, similar to that of 1966. It also offered associate status to the other Commonwealth African States *(6)*. Britain too, which was in the process of renewed negotiations for its own membership of the E.E.C. indicated that it would like Commonwealth African states to seek associate status with the E.E.C. Then, late in 1970, the Nigerian government set up an inter-Ministerial Committee on Nigeria's relations with the E.E.C. composed of permanent secretaries and other senior officials drawn from the Federal Ministries of Finance, Trade, Economic Development, and the Cabinet Office. The Economic Department of the Ministry of External Affairs was also represented. The committee was asked to study the implications for Nigeria of the United Kingdom's entry into the E.E.C. In its report, the committee noted that the effect, on the Nigerian economy, of Britain's entry would be minimal *(7)*. It added that, in any case, the Nigerian economy could not have its requirements satisfied by associating with the E.E.C. under any of the existing options. It therefore recommended that the government should conclude a simple commercial agreement with the Community *(8)*.

The Committee's view was shared by influential publics in Nigeria. For instance, the Nigerian Chamber of Commerce, Mines and Industry which, along with the Manufacturers' Association of Nigeria (M.A.N.), had been invited to participate in the discussions of the interministerial committee *(9)*, opposed Nigeria's association with the E.E.C. Its president, Chief Henry FAJEMIROKUN, suggested that, as an alternative policy, Nigeria should sponsor a regional economic grouping in Africa *(10)*. In 1971, the *New Nigerian* whose views were respected in government cricles, also opposed association: it urged the Government not to associate with the

E.E.C., especially under the Yaounde type of convention. It argued that such association would perpetuate the 'scarcely veiled neo-colonialist division of labour between Europe and Africa' *(11)*. The Western-state-government owned *Daily Sketch* also adivsed against association *(12)*.

By the end of 1971, the Nigerian government had, through the aid of experts and senior officials in the relevant ministries, made a careful examination of the issues involved. It had considered especially, 'the dimensions, content and prospects of Nigeria's trade with the enlarged European Economic Community and the merits and demerits of the various options in relation to both Nigeria's national economic interests and as they would affect economic co-operation in Africa *(13)*. It had also consulted the relevant interest groups or otherwise known their views. It therefore took a decision.

The decision was made public at the end of 1971, by Alhaji Shehu SHAGARI, then the Federal Minister for Economic Development and Reconstruction. In spite of Britain's accession to the Treaty of Rome, he declared, Nigeria would not associate with the Community on the basis of the Yaounde Convention or the Arusha or even the Lagos type of agreement *(14)*. Rather, it would explore 'the possibility of a trade agreement on specific commodities' with the E.E.C. *(15)*. As an alternative to association, the Nigerian government urged other African countries to 'come together to form... regional common markets similar to the E.E.C. *(16)*. Indeed, as time went on, the Federal Military Government came to see the establishment of a West African Economic Community as both an alternative to, and a pre-requisite for, any relationship of equality with the E.E.C. *(17)*.

It is necessary to appreciate the political and economic background against which this decision was taken. Among the political developments were: the attempts by certain E.E.C. member countries to use the opportunity provided by the negotiations for the Lagos Treaty to extract diplomatic concessions from Nigeria – attempts which the Nigerian government found objectionable; the unhelpful role of certain E.E.C. member countries in the Nigerian civil war; and Nigeria's commitment to the establishment of an economic community that would cut across the linguistic barrier in West Africa.

When Nigeria was negotiating the Lagos Treaty in the 1960's, both France and the Federal Republic of Germany had used the opportunity to put pressure on Nigeria to change its policy in certain directions. Right from the time the Eighteen African and Malagasy associates were negotiating for the first Yaounde convention, the Federal Republic of Germany had suggested that a clause should be included in the Convention which would give West Germany and the other Five the right to refuse signature or ratification of the treaty if any of the African states adopted unfriendly policies, including the recognition of the German Democratic Republic. Although this was rejected at the time by the other members, yet when Nigeria's agreement reached drafting stage, West Germany insisted on incorporating a clause in article 1 which would permit each contracting party to break the agreement if the associated state pursued unfriendly policies *(18)*. Eventually, however, the clause was not incorporated in the Lagos Treaty for the other E.E.C. member states did not support it.

Another attempt to extract a diplomatic concession from Nigeria, in the course of the negotiations, was made by France. France used the opportunity to put Nigeria in a position where she had to take the first steps towards the normalization of relations with France.

Right from the time Nigeria broke diplomatic relations with France and hustled M. Raymond OFFROY, the French Ambassador, out of Nigeria, the problem of normalizing relations apparently hinged on which country should take the first step. It seems that Nigeria was expected by the French President, Charles de Gaulle, to apologize for treating the representative of a great power in such a brusque manner. Nigeria did indeed begin to mollify France once she knew that she might have to seek some accommodation with the E.E.C. Thus, in 1962, tentative approaches were made by Nigeria to France and preliminary talks were held on the resumption of diplomatic relations. Subsequently, the Nigerian government hesitated before confronting France. Thus, in 1963, when France made another nuclear bomb test in the Sahara, Nigeria's reaction was subdued: the Federal Government excused itself by noting that the test was done in the territory of another independent African country, and that Nigeria should not infringe upon the right of another sovereign state which itself ought, more properly, to make the protest. Then when negotiations for association actually began, and France continued to frustrate Nigeria's bargaining with the E.E.C. by the application of delaying tactics, the Federal Government worked hard through the French-speaking African states to normalize relations. On its part, France, too, at this stage desired resumption of relations with Nigeria. Thus, normal relations were restored between Nigeria and France in 1965. Soon after, the Nigerian government accredited one of its most senior ambassadors, Alhaji Abdul MALIKI, to Paris.

These attempts were resented by the civilian administration. And the military regime under GOWON was further irked by the refusal of France and little Luxembourg to ratify the treaty, thus putting Nigeria in the awkward position of having to appeal for the ratification of a treaty which was never manifestly in her interests.

Nigeria's dissatisfaction with the role of some E.E.C. member states in the Nigerian civil war was another political factor which shaped Nigeria's desire to reject associate status. By the time Nigeria declared that it would not negotiate a new agreement, the civil war was fifteen months old, and several Western powers had taken positions on the crisis.

Most members of the E.E.C. were either on the side of the secessionist region, Biafra, or wavered between neutrality and a pro-Federal stance *(19)*. France, for instance, had in July 1968, declared support for Biafra. The Dutch took a position, at first, which pleased the Biafrans: the Dutch government imposed a total ban on all arms shipments to Nigeria, implying neutrality. But, later, in October 1968, it reversed its stand and pledged support for the pro-Federal position adopted by the O.A.U.

Belgium at first supplied arms freely and openly to the Federal side; then, in response to pro-Biafran public opinion in the country, it denied supplying arms to either side, although it continued to do so surreptitiously. The attitude of Luxembourg was equally ambivalent. Italy and West Germany declined at first to sell arms to either side. But later, the Italian government managed to maintain good relations with Lagos, supported the Federal cause, and yet 'manœuvered to identify with the humanitarian aspirations espoused by the Vatican of supporting the sending of relief aid direct to Biafra'. The behaviour of the West German government was similar: while endorsing the O.A.U. position, it was also prepared to go out of its way to get relief aid to Biafra.

These unsalutary experiences caused Nigeria to become particularly sensitive to neo-colonialist designs in Africa, and determined to defeat all neo-colonialist forces in the continent *(20)*.

The possible adverse effect of association under the Yaounde type conventions on the establishment of a regional economic community, was another important consideration which led the Nigerian government to reject associate status. Nigeria was, by this time, committed to the formation of an all-embracing West African Economic Community. And her fear was that association by some West African states, principally, the ex-British and ex-French colonies, to the exclusion of others, would, by creating discriminatory trade preferential areas in favour of Europe inhibit intra-West African trade and, ultimately, frustrate regional integration *(21)*.

On the economic level too, there were developments which pushed into insignificance any short term benefits that might accrue from association. First, there was the oil factor: the fact that crude oil which had a ready market formed the bulk of Nigeria's export and yielded enough revenue to drastically reduce Nigeria's dependence on external aid. Second, the volume of primary commodities available for export after the civil war was not much higher (and in some cases was less) than it was before the civil war; thus the need for external market for the primary products was considerably reduced. Third, at any rate, Nigeria's trade with the E.E.C. did not show any marked decline even without an association agreement.

By 1970, Nigeria's crude oil which could not be affected by either association or non-association had assumed a predominant position in the country's total export trade, making Nigeria less dependent on the export of her agricultural commodities to the E.E.C. In that year, crude oil export accounted for 57.5 per cent of the value of Nigeria's overall exports. By 1972, the proportion had risen to 82.7 per cent *(22)*. The market for oil in the 1970's was assured; and in any case, the E.E.C. member states were becoming increasingly less important as consumers of Nigeria's crude oil. In 1971, the U.K. and four major E.E.C. member states were the principal consumers of Nigeria's oil; they took between them 59.0 per cent of Nigeria's oil. But by 1974, their share of Nigeria's crude oil export had decreased to 48.9 per cent. In 1978, it was as low as 27.1 per cent. In contrast, the share of Nigeria's crude oil consumed by the U.S. rose rapidly from 20 per cent in 1971 to 28.8 per cent in 1974 and 46.1 per cent in 1978 *(23)*.

More important, crude oil was fetching huge sums of foreign exchange reserves for Nigeria and contributing increasingly to government revenue, thus making the government less dependent on external financial aid from organizations like the E.E.C. The value of crude oil exports rose from a mere N 509.8 million in 1970 to N 1,1976.2 million in 1972, a rise of 130.7 per cent. The contribution of crude oil to government revenue also increased tremendously, rising by 234 per cent, from N 236.2 million in 1970–71 to N 789.6 million in 1972–73 *(24)*.

In recognition of the changed financial situation of the country, the Federal government downgraded the role of external financial aid in national development, from 50 per cent in the first national development plan to 20 per cent under the second national development plan.

As oil dominated Nigeria's export trade, the importance of agricultural export products declined correspondingly, and finding markets for them ceased to be a matter of life and death for the Nigerian economy. The volume of these products, processed and unprocessed, available for export either declined or remained constant. And the amount of foreign exchange they earned did not show any appreciable increase either *(25)*.

Apart from cocoa beans and cocoa butter, no other commodity recorded an increase in the quantity exported in 1973, as compared with the quantity exported in 1966. Indeed, by 1973, the exports of most of the agricultural products (e.g. cocoa, groundnuts, cotton, and palm produce) had become negligible. The decline in the quantity of agricultural exports was partly due to falling output. The quantity of cocoa produced declined from 259,000 tonnes in 1970 to 197,000 tonnes in 1973. Similarly, the production of cotton seeds declined from 272,000 tonnes to 113,000; groundnuts from 510,000 to 270,000; palm kernels from299,000 to 231,000; and palm oil from 28,000 to 14,000 *(26)*. In part, too, the decline in exports was due to the diversion of agricultural products to home markets where the local consumption of these products had increased and agricultural land was increasingly being devoted to the production of staple foods *(27)*.

In consequence, in the 1970's agricultural exports and non-oil exports in general contributed only a negligible proportion of Nigeria's export earnings. In 1970, the proportions of the contributions were: crude petroleum – N 510 million or 57.6 per cent of the total; non-oil sector – N 375.4 million or 42.2 per cent; and agricultural exports N 222 million or 25.1 per cent. By 1973, the insignificance of the contribution of agricultural products to export earnings had become quite outstanding: in that year, crude petroleum contributed 83.1 per cent of export earnings, while agricultural products contributed a meagre 8.7 per cent *(28)*.

Clearly then, by 1973, the prospects of restricted entry of Nigeria's exports into the markets of the E.E.C. had ceased to cause concern in Nigerian Government circles because of the radically changed structure of the export trade. Even the prospects and later the reality of British entry did not cause any alarm in Nigeria for several reasons. First, it had by then been realized that the much talked about Commonwealth preferences meant little in practice to African countries. Although, in general, most

Commonwealth products entered Britain duty-free it was reallly such products in large supply by many countries as sugar, wheat, butter, wine and fruits that enjoyed a clear preferential margin or a system of high and guaranteed quotas in the British market *(29)*. A study carried out in 1966 concluded that the ending of Commonwealth preference 'would have little effect on the national incomes of the (Commonwealth) members' *(30)*.

Nevertheless, Birtish entry into the E.E.C. still posed a problem for Nigeria: it meant that Britain would be obliged to apply fairly high tariffs to especially two of Nigeria's primary products, namely, cocoa butter (E.E.C. tariff, 6–5 %), and lower tariffs on cocoa beans (4 %) and unprocessed groundnut (4–12 %) *(31)*. Theoretically, these tariffs could inhibit the development of cocoa and groundnut processing in Nigeria. Also E.E.C. tariffs could stunt the development of export of textiles of which Nigeria had by this time become a major producer *(32)*.

But then, secondly, the adverse effects of E.E.C. tariffs on the export trade of Nigeria and other developing countries had by this time also been diminished by the tariff reduction negotiations under the General Agreement on Tariffs and Trade (G.A.T.T.) and the institution of a general system of preferences following negotiations under UNCTAD II. By 1975, 'all developed countries had instituted preferential schemes' under which tariff preferences were granted, on a temporary basis, to a limited range and quantity of industrial products from underdeveloped countries *(33)*.

Moreover, it had also become clear to Nigeria and other African states that the greatest problem which their export products faced in European markets was not necessarily the tariff and non-tariff barriers to trade but the deterioration of their terms of trade. In 1973, Robert GARDINER, then the Executive Secretary of the Economic Commission for Africa estimated that as a result of the weakening of the world prices of primary products in the face of rising cost of manufactured consumer and capital goods imported by African countries they had lost the equivalent of $ 6,000 million within the decade; in 1970 alone, Africa's loss from deteriorating terms of trade had amounted to $ 700 million *(34)*. The increased output and export of crude petroleum, the rising price of which was determined by the Organization of Petroleum Exporting Countries, helped to reduce the impact of this loss on the Nigerian Economy. Nevertheless the Nigerian leaders were fully aware of this exploitative relationship between Africa and Europe and strongly condemned it. Indeed, GOWON called upon all African States to co-operate to 'reverse the present system of trade and aid' between Africa and Europe which makes Africa a net 'exporter of capital... to the developed, industrialized countries that often falsely claim to be aiding us' *(35)*.

Nigeria's determination to reject association with the E.E.C. was further strengthened by the empirical evidence available. By 1972, it was becoming clear, that the loss of Commonwealth preferences and the imposition of tariffs by the E.E.C. would have only a marginal impact on Nigeria's external trade. This was shown by the little change in Nigeria's export trade with both Britain and the E.E.C. after Britain had joined the Common Market and before the Lome Convention was signed. In 1971, a year before Britain acceeded to the Treaty of Rome, Nigeria's export of non-oil products to Britain amounted to 30.6 per cent of her total non-oil exports to all countries; by 1974, the figure had fallen by only 2.6 per cent to 28.0 per cent. Similarly, in 1971, Nigeria's export of non-oil commodities to Western Europe (including, predominantly, E.E.C. member states) amounted to 36.0 per cent; by 1974, it had fallen by only 1.7 per cent to 34.3 per cent. But this little and temporary (apparent) loss of market was adequately made up for by the increased sales of non-oil commodities to the Soviet Bloc which took 19.6 per cent of Nigeria's products in 1974 as contrasted with their share of 13.2 per cent in 1971 *(36)*. Confident that Britain's entry would have little adverse impact on Nigeria's external trade, the then Commissioner for Trade and Industry, Alhaji Ali MUNGUNO, stated that as a response to Britain's entry into the E.E.C. Nigeria would simply intensify her efforts at export promotion to overcome the impact of non-association *(37)*.

Much more worrying to Nigeria than either the loss of Commonwealth preferences or the effects of the Community's tariffs was the possible impact of reverse preferences on intra-African trade, and consequently, on regional integration. The African countries – The Eighteen which were already associated with the E.E.C. had erected a tariff against non-associated countries the same tariffs as the E.E.C. member states themselves. If Nigeria rejected association, it would hinder trade between West African states *(38)* and the basis of West African economic integration might be further undermined.

These then were the general considerations and the political and economic developments which led the Nigerian government to reject association with the E.E.C. We shall now consider Nigeria's specific objections to association.

These objections were clearly set out at the time by the successor to Alhaji MUNGUNO in the Ministry of Trade, Mr. Wenikè BRIGGS. The first objection was, as under BALEWA, against the granting of reverse preferences. The Nigerian government argued that it was unfair to require underdeveloped African countries to grant reverse preferences to the advanced countries of Europe. By granting tariff preferences to the industrialized states, the African countries made greater sacrifices than their trading partners in Europe since the finances accruing from tariffs constituted a higher proportion of the budget of the former than of the latter *(39)*. More important, the Nigerian government believed that 'reverse preferences represented and obstacle to economic co-operation between neighbouring African countries' and especially to 'the formation of regional economic' communities *(40)*.

The second criticism was directed against the community's aid programme which the Nigerian government claimed had failed, after fourteen years of association, to transform the associated states from one-crop economies to more diversified and developed economies as expected *(41)*.

Indeed, the Nigerian government argued that the aid programme of the E.E.C., when put against the background of the deteriorating terms of Africa's trade with the E.E.C., was a veneer to mask the continued exploitation of Africa by Europe. As GOWON put it, the 'present system of trade and aid ' (between Africa and the E.E.C.)... in the end, makes Africa an exporter of capital so desperately required for local development, to the developed, industrialized countries that often falsely claim to be aiding us' *(42)*.

The third reason for rejecting association under the prevailing terms was that it was neo-colonial – in Johan GALTUNG's sense – in character. The existing association arrangement, the Nigerian Minister for Trade maintained, 'was a subtle and clever device to ensure supply of raw materials for European factories while it provided virtually guaranteed markets in the Associated countries for European manufactures' *(43)*.

As an alternative to association, the Nigerian government decided: first, in the short term, to negotiate 'a purely trade agreement or commercial treaty with the E.E.C. that is compatible with her economic interest and in no way derogatory to her sovereignty' *(44)*, and secondly, in the long run, to initiate, sponsor and sustain efforts towards the establishment of a West African Economic Community.

It should be noted that when the decision to reject association was taken, not only was the formation of a West African Economic Community seen as an alternative to association with the E.E.C., but the latter was viewed as inherently antithetical to the former. Moreover, any suggestion that association with the community might aid the process of regional integration in West Africa or Africa was spurned because it hurt the pride of Nigerians. The statement made by the Federal Minister of Finance then, Alhaji Shehu SHAGARI, reflected this pride: 'African countries should come together and unite in spite of well-known obstacles. We do not have to do this under the umbrella of the enlarged E.E.C., but on our own' *(45)*.

When, therefore, Nigeria negotiated, signed and ratified an association agreement with the E.E.C., it was a change of its original policy. It is necessary to understand why this change occured.

WHY NIGERIA EVENTUALLY CONCLUDED AN ASSOCIATION AGREEMENT WITH THE EUROPEAN ECONOMIC COMMUNITY, 1973–1975

On March 21, 1975, Nigeria became the first signatory state to ratify the Lome Convention. This *volte face* is attributable to a series of developments which generated tremendous pressure that came to bear on the Nigerian government. First, there was external pressure for a joint approach to the E.E.C. from the Commonwealth African and Caribbean countries. Secondly, this was reinforced by pressure for a joint continental approach from the O.A.U. Nigeria was vulnerable to these pressures for several reasons. The continental approach was in line with the role which the Nigerian government had mapped out for itself at the end of the Nigerian civil was. To lead a continental team in negotiations with

Europe seemed to provide Nigeria with an opportunity to either forge or demonstrate the emergence of African solidarity in the face of several divisive forces. More importantly, because of the integration of Nigeria into the world capitalist economy and the capitalist oriented development strategies which the Nigerian leaders favoured and which were predicated on continued dependence on the industrialized capitalist states, seeking some kind of accommodation with the E.E.C. was never completely ruled out. For some reasons, the conception of a West African Economic Community as an alternative to association was never seen in strategic terms; it was a mere tactical manœuvre, for the new community was to be developed, not outside, but within the world capitalist economic system. Hence, Nigeria's commitment to the establishment of a West African economic community became paradoxically one of the reasons for deciding to associate when that project seemed threatened by the potential polarization of West Africa into associates and non-associates.

From early 1972, the Nigerian Government became involved in a series of international consultations which ultimately resulted in Nigeria's participation in the negotiations for the Lome Convention. The first set of consultations took place close on the heels of Britain's accession to the Treaty of Rome. In January, 1972, representatives of Commonwealth High Commissioners in London met to discuss the effect of British entry on their economies and future relationship between them and the E.E.C. Then in April 1972, a meeting of Commonwealth officials was held to discuss the issue further. This was followed three months later (July) by a second meeting of Commonwealth officials. No consensus emerged at these meetings regarding the nature of the relationship which the Commonwealth countries should establish with the E.E.C. *(46)*.

Two months later, a delegation from the Caribbeans arrived in Lagos to hold discussions with Nigerian officials on the issue. In February, 1973, a delegation from the East African Community also came to discuss the same issue with the Nigerian authorities. The East African delegates strongly urged that all 'associables' should adopt a common approach to the problem. They also indicated that they expected Nigeria to play a leading role in the process of evolving this common stand *(47)*. From Nigeria, they went to canvass other Commonwealth African countries to support the adoption of a common position in dealing with the E.E.C.

As a result of these consultations, a meeting of African Trade Ministers was held in Lagos on 16 February, 1973. At the Conference, the Nigerian representative made the government's position clear. It was against association because the existing arrangement was exploitative and neo-colonial *(48)*. Nigeria would, therefore, not seek associate status; she would only negotiate 'a purely trade agreement or commercial treaty...' The Nigerian spokesman then made a passionate plea to the other Commonwealth African countries: instead of thinking of association, they should 'take a cue from Europe which had (realized) that her interest lay in European economic integration (and establish) a strong and prosperous regional economic grouping in Africa' *(50)*.

Despite Nigeria's passionate appeal to the Commonwealth Trade Ministers, they took a decision to seek a relationship that could include association. The only concession they made to the Nigerian view point was that they would 'not be bound by the E.E.C.'s three point options to associables': the type of agreement they would enter into would be determined by their own needs *(51)*. They also decided to work out a common position with both the Commonwealth Caribbean associables and the Yaounde associates and then 'negotiate with the E.E.C. ... as a group' *(52)*.

Consultations were held with the African associates and Caribbean associables in March, 1973. In April, a second meeting of Commonwealth African Trade Ministers was held in Nairobi, Kenya. To the satisfaction of Nigeria, they agreed that any future relationship with the E.E.C. must exclude the principle of reciprocity or reverse preferences. Nevertheless, the idea of association itself was not rejected. The conference agreed to negotiate with the E.E.C., on a collective basis, a 'general agreement on trade, economic and technical co-operation' that would give African commodities 'free and assured access' to E.E.C. markets *(53)*.

Thus by mid-1973, Nigeria had been manœuvered into a position where she accepted a policy of seeking a relationship with the E.E.C. that did not entirely rule out associate status. It had become clear, too, that Nigeria could not sell to the Commonwealth African group the idea of viewing and seriously pursuing sub-regional economic integration as a viable alternative to association with the E.E.C. Nigeria's original policy was therefore in crisis; it was put under further pressure by developments at the level of the O.A.U.

Between June 1972 and May 1973, a series of consultations were held under the auspices of the O.A.U. and with the support of both the Economic Commission for Africa and the African Development Bank on the issue of Africa's future relationship with the Community. In May 1973, the O.A.U. Assembly adopted the following principles to guide negotiations between all African states and the E.E.C.: non-reciprocity in trade and tariff concessions; extension of trade concessions to other countries, on a non-discriminatory basis as desired by the African states; free and assured access to E.E.C. markets for all African products; revision of E.E.C.'s rules of origin to facilitate the entry of African manufactures into European markets; guaranteeing stable and remunerative prices for the main products of African states; assurances that no agreement with the E.E.C. would adversely affect inter-African co-operation; revision of the provisions relating to movement of payments and capital to reflect the need for monetary integration among African states; and dissociating E.E.C. financial and technical aid from any particular form of relationship with the E.E.C. *(54)*.

Clearly, most of Nigeria's objections to association would be taken care of if all these principles were fully reflected in any agreement between Africa and the E.E.C. But there was no way of knowing in advance if this would be the case. Hence, in 1973, Nigeria still reserved her position: whether she would associate or not would depend on the outcome of the negotiations.

However, Nigeria's reservations were further weakened by moves from the E.E.C. itself. By the end of 1973, the combined pressure of the globalists within the E.E.C. – Germany, the Netherlands, Italy, Danmark, Ireland and Britain – and the United States operating from outside the E.E.C. had made the Community more flexible in its attitude towards association. This change was heralded by a special report prepared for discussion in the E.E.C. Commission in the first quarter of 1973. The report which came to be known as the *Deniau Memorandum* had five aspects which sought to make association more acceptable to Commonwealth African and Caribbean states. First, it showed that the E.E.C. might be prepared to drop its rigid insistence on negotiations with third world countries taking place within the framework of the three alternative forms of association, viz: full association; association *sui generis;* or special trade agreement. Instead it was stated that a decision on the part of the «associable» states who would participate from the beginning in negotiations aimed at full association «will not constitute an undertaking to conclude an agreement on this basis». This opened the way for even those states like Nigeria that had not quite made up their minds on what form of relationship they desired to establish with the community to participate with the others who wanted full association, in the negotiation.

Secondly, in the report, the Commission indicated the community's readiness to accept, as associates, countries which were not former colonies of any of the E.E.C. member states. The effect of this was dual: it not only extended the offer of association virtually to all sub-Saharan African States thus pre-empting allegation of divide-and-rule tactics, but it also removed some of the stigma attached to association as a continuation, by other means, of the colonial pattern of relations.

Thirdly, the Commission showed its willingness to drop the vexed question of reverse preferences or at any rate to neutralize the effects. It suggested that preferences granted to the member states might be extended to as many third world countries as the African states wished. This made the idea of reverse preferences meaningless.

Fourthly, it became apparent, that the community was no longer insisting that aid should be given only to those who sought full association. Moreover, the commission was, by this time, known to be seeking forms of aid that would be more flexible and substantially greater in quantity than the aid given under the Yaounde Conventions.

Fifthly, it became clear, too, that linked to both aid and trade, a commodity stabilization agreement was envisaged by the Commission to cover a number of agricultural products. It was to be a financial compensatory scheme aimed at stabilizing the commodity earnings of associated states. This was a major innovation in the Commission's report.

These features of the *Deniau Memorandum,* heralding salutary changes in the community's attitude, served as attractions to Nigeria and other Commonwealth African Countries. They went a long way to reduce the strength of Nigeria's objection to seeking associate status with the E.E.C.

Two other considerations caused Nigeria to abandon her opposition to association. One was her overall African diplomacy. When Nigeria emerged from the civil war, the central theme of her African diplomacy was reconciliation and solidarity among African states. Yet there were several forces which threatened to keep Africa divided; and Nigeria believed that some of these divisive issues were deliberately introduced by external powers in order to split the ranks of African states. The issue of dialogue with South Africa had threatened the unity of Africa. But Nigeria led the campaign to defeat what the O.A.U. Assembly, following Nigeria's cue, viewed as a 'manœuvre by South Africa and its allies to divide African states' *(55)*. Then there was the issue of the legitimacy of the new regime of General AMIN in Uganda. Nigeria played the role of a conciliator between the new regime in Uganda and those African states that refused to recognize it because she believed that disagreement over the issue could divert Africa's attention from the more pressing issues like those of ending colonialism and apartheid in Southern Africa. In the end she was able to resolve the issue *(56)*.

Nigeria's policy of achieving unity and harmony among African states was also threatened by the issue of association with the E.E.C. There were signs that an extra-African power was exploiting the issue to sow discord among African states. During a visit to West Africa in 1971, the French President, Georges POMPIDOU had urged the French-speaking African states to resist the attempts by their English-speaking counter-parts to become associated with the E.E.C. on the ground that they were richer and more efficient producers and as such would dilute the trade preferences the former French colonies... enjoyed with the E.E.C. Subsequently, the associates insisted that what they wanted was a 'stronger and closer association with the E.E.C. than was provided under the Yaounde conventions, rather than one that was 'diluted and weakened in a wider scheme of things' *(58)*. Their insistence on the maintenance of reciprocity and the rejection of the concept by the Anglophones reflected the cleavage between the two groups which threatened the emergent African unity to which Nigeria was committed. Nigeria's determination to end this cleavage lay behind her decision to join and then lead the collective group of African associables and associates in joint negotiations with the E.E.C. even though it had earlier tried to sabotage attempts by the Commonwealth Secretariat to forge a common Commonwealth stand on the same issue *(59)*.

The other consideration that weighed strongly with Nigeria was the need to bring to fruition its plan of establishing an all-embracing economic community in West Africa. The project was threatened by several obstacles. The first problem was how to allay the fears of French-speaking West African states of Nigeria's economic and political domination. The second difficulty concerned the attempt by France backed by the E.E.C. to consolidate the solidarity of, and anti-Nigerianism among, the Francophone states in West Africa. To this end France sponsored the formation of a Francophone-exclusive West African economic community, and the E.E.C. made grants of various sums: ₦ 86,000 in 1971, ₦ 220,000 in 1972, and ₦ 143,000 in 1973 *(60)*.

To overcome the first problem Nigeria launched a skilful diplomatic offensive aimed at creating an image for Nigeria of a benevolent sister state ready to make sacrifices for the welfare of other states. To this end, the Nigerian government spent large sums of money as aid – mostly in the form of grants – to West African states. To overcome the second difficulty, Nigeria tried at first to insulate West Africa from getting more intimately involved in institutional ties with Europe through the E.E.C.; hence the initial opposition to association. But she soon recognized that she could not counter France's franc diplomacy in the sub-region; she therefore gave up, noting that she would not ask the French-speaking African countries 'to commit economic suicide in the face of known realities' *(61)*. And since she also realized that exclusive association of some West African states with E.E.C., involving both preferential trade concession in favour of Europe and external trade barriers against non-associated West African countries, would hinder regional integration, Nigeria decided to join the negotiations: it seemed the only practicable way of avoiding polarization of West Africa into associates and non-associates.

The choice of this generally less beneficial alternative was hardly surprising. The decision was in line with the Federal Military Government's national economic development strategy which, like its pet project ECOWAS, was predicated on the premise of continued dependence on Western Private and public capital.

Under GOWON, as under Sir ABUBAKAR, the economic development strategy centred around import substitution type of industrialization. For this, great reliance was placed on external inputs. The idea was that Nigeria's raw material – minerals and agricultural products – would be exported to Europe and America where they would earn the necessary foreign exchange with which to buy capital equipment to support local industrialization efforts. The gap between export earnings and cost of imports would, it was expected, be filled by foreign public loans and private investment capital. Such a development strategy made association or at least some kind of relationship with the capitalist countries of Europe virtually inevitable.

As for ECOWAS, it was also to be built up through continued reliance on foreign capital. Indeed one of its most important institutions was to rely on foreign capital for its operation. The fund for co-operation, compensation and development was expected to obtain financial resources from both African and foreign sources. The fund would even guarantee foreign investments made in member states of ECOWAS provided such investments were in line with the harmonization of the industrial policies of member states – (ECOWAS Treaty, article 52d). On a more general level, no fundamental contradictions were envisaged between the operation of ECOWAS and continued extensive dependence on Europe which the Lome Convention symbolized. Like Lome, the ECOWAS Treaty envisaged continued reliance on foreign capital from Europe and America, including the continued penetration of West Africa by foreign private investment. Like Lome, the ECOWAS Treaty did not see as a basic and immediate problem the political and monetary balkanization of West Africa. And like Lome, the ECOWAS Treaty did not envisage a radical change of economic development strategy *(62)*. No wonder then that the decision to associate with the E.E.C. under the first Lome Convention was never considered as incompatible with the goals of regional economic integration in West Africa. Given the orientation of Nigerian and other West African leaders at the time – the leadership was predominantly neo-colonial and national-bourgeois – it was not surprising first that economic development was conceived in superficial terms as static growth; second that strategies were adopted which would perpetuate West Africa's neo-colonial ties; and third that no contradictions were perceived between seeking associate status with the E.E.C. and working towards industrialization in West Africa through regional economic integration.

We shall now turn to examine the provisions and operation of the first Lome Convention in the light of Nigeria's earlier objections and her national interest.

THE FIRST LOME CONVENTION: WHAT BENEFITS OR COSTS TO NIGERIA?

Of the provisions of the first Lome Convention the most important to Nigeria were those regarding trade co-operation, industrial and technical co-operation and, to a less extent financial co-operation.

TRADE CO-OPERATION:

The Convention granted free entry to all African, Caribbean and Pacific (A.C.P.) state's products into the markets of the E.E.C. member states. This meant that no customs duties or charges having equivalent effect, and no quantitative restrictions or measures having equivalent effect might be imposed on A.C.P. export products except where there were specific rules and measures introduced in pursuance of either the E.E.C.'s common agricultural policy or public policy, public security and public morality, or in order to correct disturbances in the economy *(63)*. In such cases, however, the contracting parties would be duly informed or consulted.

Of particular interest to Nigeria was article 7.1 which ruled out the granting of reverse preferences by A.C.P. states to the E.E.C. member states. The article stated that, on the part of the A.C.P. states, there were no specific 'obligations corresponding to the commitments entered into by the Community in respect of imports of the products originating in the A.C.P. states' *(64)*. However, the A.C.P. states undertook not to grant more favourable access to imports from certain E.E.C. states than was granted to others and not to grant less favourable trade terms to E.E.C. states than was granted under the most favoured nation principle to other states unless the most favoured nation treatment was extended 'in respect of trade or economic relations between A.C.P. states or between one or more A.C.P. states and other developing countries' *(65)*.

These provisions raised the hopes of the A.C.P. states that their products, especially manufactures as well as processed and semi-processed goods would, under the Lome Convention, enter the markets of the E.E.C.

states freely. It was further hoped that this would stimulate the production of these goods and thereby lead to a faster rate of industrialization than would otherwise be the case.

In evaluating the impact of the trade provisions on Nigeria's economy and external trade, we must distinguish between different categories of products. These are: those commodities which enter the E.E.C. free, whether or not the producer has trade concession agreement with the E.E.C. (e.g. oil); those whose access to E.E.C. is restricted for non-associates but free for associates, but for which the A.C.P. states are not able to take full advantage of free entry (e.g. manufactured products), those on which A.C.P. countries are granted preferential access to E.E.C. markets which they can exploit (e.g. cocoa and banana); and those that fall within the common agricultural policy and for which, therefore the A.C.P. states would not have had access to the E.E.C. markets but for the Convention (e.g. sugar and meat) *(66)*.

During the life of the first Lome Convention, the bulk of Nigeria's export to the E.E.C. was made up of petroleum products. Generally, just over twenty-five per cent of A.C.P. exports were accounted for by petroleum. But in the case of Nigeria, the figure was much higher. In 1975, 94.7 per cent of Nigeria's exports to the E.E.C. consisted of crude oil exports. In 1978, the figure remained high at 81.9 per cent *(67)*. Since this is a commodity that the E.E.C. members would not normally like to restrict, whether its sales to the E.E.C. increased or diminished had nothing to do with whether or not Nigeria was deriving any benefit from the Lome Convention.

With respect to manufactured products, the Lome Convention did not seem to have any favourable impact on their export either to the world in general or to the E.E.C. states in particular. In 1970 and 1972, when Nigeria was not associated with the E.E.C., manufactured and semi-manufactured commodities accounted for 18.0 and 15.3 per cent, respectively, of Nigeria's total non-oil products to all countries. By 1975, the figure had fallen slightly to 15.2 per cent; in 1977 it fell further to 14.0 per cent *(68)*. During the life of the convention, there was a decrease in the sale of Nigeria's manufactures to the E.E.C. in both absolute and relative terms. In 1975, the value of Nigeria's exports of manufactures to the world was N 27.457 million; in 1978, it remained about the same at N 27.538 million. But the E.E.C.'s share of these exports declined from 96.7 per cent (N 26.554 m.) in 1975 to 83.6 per cent (N 23.028 m.) in 1978 *(69)*.

There were several reasons for the decline and stagnation in the sale of Nigeria's manufactures to the E.E.C. and the world. The first was the increased domestic consumption of these products. Between 1975 and 1977, the production of manufactured goods in Nigeria increased by 31.7 per cent, from 147.7 units to 194.5. But much of the increase was in those products like soap and detergents (83.6 %), roofing sheets (45.4 %) paints and allied products (61.6 %) which Nigeria's expanded domestic market took up. Secondly, the clause relating to the origin of products discouraged the expansion of the export of manufactured goods from all A.C.P. countries to the E.E.C. As a rule products imported without tariffs by the

E.E.C. from the A.C.P. had to have 50–60 per cent value added, and this requirement was difficult to meet by Nigeria and other A.C.P. countries which have very low industrial capacity especially as it was inflexibly applied. Thirdly, through administrative restrictions, the E.E.C. member states, acting under the safeguard clauses of the Convention, were able to restrict those materials they did not want. For instance the Community 'leaned' on Ivory Coast to discourage it from developing an export capacity in cotton textiles. Similarly, Mauritius was prevailed upon to impose restraints on its exports of textile. The Community's excuse was that European textile industries were under threat of closure due to declining demands for textile in Europe *(71)*. But, then, A.C.P.'s exports of textiles to the E.E.C. represented only 1.8 per cent of total community imports of textiles. Indeed, as the A.C.P. Ministers meeting in Brussels in 1980 noted, A.C.P. states imported more textiles from the Community than they exported to it *(72)*.

Significantly, during this period, E.E.C.'s share of Nigeria's total non-oil exports showed an appreciable increase. It rose from 57.1 per cent in 1975 to 80.6 per cent in 1978 *(73)*. In 1975, the export of Nigeria's non-oil products, other than manufactures, to the E.E.C. accounted for 86 per cent (i.e. N 162.2 million out of N 188.4 million) of Nigeria's total exports of non-oil commodities, other than manufactures, to the world. By 1978, E.E.C.'s share had risen to 95.4 per cent. E.E.C. was, thus, taking almost all of Nigeria's exports of non-oil exports, other than manufactures, to the world: E.E.C.'s share was N 475.7 million out of a total of N 498.7 million *(74)*. Since it was in the export of non-oil products, other than manufactures, to the E.E.C. that the provisions of the Lome Convention seem to have had the greatest impact, we can only conclude that the E.E.C. was much more interested in obtaining from Nigeria such raw materials as crude non-fuel minerals as well as agricultural products, than in buying manufactured goods.

Further analysis reveals that the increased value of exports of agricultural products was not due to increased exports of those commodities either to the world at large or to the E.E.C. in particular. This suggests that the only other area where there could have been a rise in the quantity exported to the E.E.C. must have been the non-fuel raw materials. With respect to unprocessed agricultural products, the quantity to the world generally declined; stated in thousand tonnes, the pattern was as follows: raw cocoa, 202 in 1975 and 165 in 1977; palm kernels, 173 in 1975 and 169 in 1977; rubber, 57 in 1975 and 18 in 1977. The reason for this was that for most of the agricultural products, there was a sharp decline in the quantity produced. For instance, the quantity of raw cocoa fell from 258.6 thousand tonnes in 1970 to 196.8 in 1973 and to 165.0 in 1977. Similarly, the production of cotton fell from 271.7 thousand tonnes in 1970 to 181.1 in 1977; and groundnuts from 509.9 thousands tonnes in 1970 to 140.0 in 1977. Only palm produce showed a slight increase: the quantity of palm kernels produced increased from 299.3 thousand tonnes in 1970 to 301.9 in 1977. Also the production of palm oil increased from 28.2 thousand in 1970 to 60.0 in 1975, falling to 47.0 in 1977 *(75)*.

As a result of this general decline in volume of production, by the 1976–1978 period, exports of Nigeria's major agricultural commodities had become generally negligible. The increase in earnings from agricultural exports, from ₦ 265.2 million in 1970 to ₦ 393.7 million in 1977 was due mainly to the rise in the unit price of these products. For example, between 1975 and 1977, the average weekly prices (c.i.f.) in London of agricultural products rose as follows: cocoa, from 76.7 to 255.6; groundnuts, 68.1 to 94.5; palm kernels, 45.2 to 74.7; and palm oil, 63.7 to 78.9 *(76)*.

Nigeria did not also benefit in any significant way from the concessions granted to A.C.P. states covering the products that fall within the purview of the common agricultural policy. Nigeria produced very little of such products as sugar (53.2 thousand tonnes in 1977) and beef the bulk of which is consumed internally any way.

As for imports, the Lome Convention also seems to have had no significant impact on Nigeria's purchases from abroad. The value of Nigeria's imports from the E.E.C. rose by 116.2 per cent, from ₦ 2,208.3 million in 1975 to ₦ 4,775.4 million in 1978. But then, Nigeria's total imports from all countries rose by even a higher percentage – 118.8, from ₦ 3,721.5 million in 1975 to ₦ 8,140.8 million in 1978. Thus, while E.E.C.'s share of Nigeria's total imports was 59.3 per cent in 1975, by 1978, it had fallen to 58.7 per cent *(77)*. This is not surprising considering that the Lome Convention did not provide for the granting of reverse preferences by the A.C.P. states in favour of products imported from the E.E.C. states.

A point worth reiterating is that it is on the export to the E.E.C. of non-oil products, other than manufactures, that is raw materials, that the provisions of the Lome Convention seem to have had the greatest, or rather any impact at all. By encouraging the production and export to Europe of raw materials, association under the Lome Convention, has in practice, despite its noble intentions, tended to have the effect of keeping Nigeria as a perpetual primary producer.

INDUSTRIAL AND TECHNICAL CO-OPERATION AND FINANCIAL ASSISTANCE

One of the major attractions of the first Lome Convention to Nigeria was its provisions on industrial and technical co-operation. The Convention had, as one of its objectives, the promotion of the establishment and development of small and medium sized industrial estates and the creation of the appropriate economic infrastructure in the African Caribbean and Pacific states. To this end, the E.E.C. states undertook to work in co-operation with the A.C.P. states in order to, among other things: facilitate the transfer of technology to the A.C.P. states, as well as promote the adaptation of technology to their specific conditions and needs; provide vocational and advanced training to nationals of A.C.P. states; to set up advisory services and institutions that could create credit facilities in these states, and provide directly financial and technical assistance to them *(78)*.

For the period of the Convention, a total sum of 3,390 million European units of account (e.u.a.) or ₦ 2,321.0 million was allocated to provide financial and technical aid to A.C.P. countries. It was stressed that the primary object of this assistance would be to 'correct the structural imbalances in the various sectors of the A.C.P. economies' *(79)*. The implication is that they would be assisted to overcome their heavy dependence on the export of raw materials.

Of this sum, ₦ 2,054.9 million or 88.5 per cent was to be managed under the European Development Fund (E.D.F.). The bulk of this, ₦1,798.0 million or 87 per cent of the sum to be administered under the E.D.F. would be paid out in the form of grants, soft loans and 'risk capital'. And the remainder, (i.e., 12.5 per cent of E.D.F. or ₦ 256.9 million) would be paid out in the form of transfers for the stabilization of export earnings (stabex). The rest of the Community's aid, that is 390 million e.u.a. or ₦ 267.1 million (i.e., 11.5 % of total E.E.C. financial allocation under Lome 1) would be managed by the European Investment Bank, and paid out as loans under more stringent conditions *(80)*.

Nigeria did not derive any substantial benefits from these provisions of the First Lome Convention. To begin with, the Federal Military Government under GOWON decided not to benefit fully from the financial aid provisions in order not to deplete, by taking its due, the amount that could be shared to the rest of the A.C.P. states. As a result, only a small sum of 10 million e.u.a. or ₦ 7.8 million was allocated to Nigeria under the Fourth E.D.F. Even then, the disbursement of this sum was very slow. By February, 1980 not more than 30 per cent of it had been disbursed, although 80 per cent had been committed *(81)* From the E.I.B., Nigeria had an allocation of 50 million e.u.a. or ₦ 34.2 million or 12.8 per cent of total allocation to A.C.P. states. 50 per cent of this sum was given to the Nigerian Industrial Development Bank to lend to private investors for medium scale industrial projects in the country. The other 50 per cent was given to the National Electric Power Authority for the strengthening of the power supply system in Nigeria. The amount is to be repaid over a period of 11 years at an interest rate of 5.75 per cent. The loan has been described as the 'largest yet made under the Lome Convention' *(82)*. But in reality it did not represent any special benefits to Nigeria under the Lome Convention. The E.I.B. is after all a project-financing bank which does not restrict its loans to either E.E.C. states or their associates. Since the bank does not lend to countries but for public and private investment, it is not the nationality of borrower, but the nature of the investment and the chances of success of the projects for which the loan is sought that matter *(83)*. Thus Algeria, though not a signatory to the Lome Convention secured bigger loan (114 million e.u.a.) than Nigeria from the E.I.B. *(84)*.

Also, Nigeria did not benefit at all from the STABEX provisions. The major reason for this was that owing to the dominant position of crude oil in Nigeria's export trade, no other single commodity satisfied the 7.5 per cent ceiling threshold which a country's export commodity earning must reach to qualify for STABEX. Thus although certain commodities, for instance groundnut and cotton, might have satisfied the floor trigger level – that is, the minimum level of export earnings short fall – of 7.5 per cent, they did not qualify to receive STABEX.

As for the benefits from the Centre for Industrial Development, Nigeria has derived little from Lome I: expert missions to assist existing industries, training a few technicians, co-operation between Nigerian and European universities; information about available Western technology, etc. At best these advantages are marginal. And, in any case, if the provisions on industrial co-operation were fully implemented, the effect would be increased penetration of Nigeria by European private investment to the net disavantage of Nigeria.

EFFECTS OF THE LOME CONVENTION ON ECONOMIC INTEGRATION IN WEST AFRICA

Another benefit which was perhaps anticipated by the Nigerian government when negotiations were going on for the Lome Convention was that it would help the process of regional economic integration in West Africa. It was indeed argued subsequently by Federal Government official representatives that Nigeria's gains from Lome should be evaluated not merely in financial terms, but rather in the context of the overall political and diplomatic importance of the Convention to Nigeria. According to Chief Peter AFOLABI, the most important considerations in this respect are: the substantial though unquantifiable political gains Nigeria derived from leading the A.C.P. group during the negotiations; and 'the geopolitical importance of the Convention... in the context of Nigeria's commitment and association in the sub-regional organization, the ECOWAS' *(85)*. It has even been suggested that the Lome Convention has, in the end proved, 'the unanticipated vehicle for the promotion of African economic integration' *(86)*, thus unintendedly helping Nigeria to further its goal of economic integration of West Africa.

It is probable that, the momentum generated by the process of negotiating for Lome I robbed off on the process leading to the formation of ECOWAS. The successful conclusion of the Lome I negotiations also strengthened the argument of Nigerian leaders and other strong proponents of West African integration that ECOWAS could be established *(87)*, and generally 'produced an air of compromise, optimism and self-confidence' *(88)* which helped the process of establishment of ECOWAS. Too, it must be noted that the First Lome Convention itself contained several provisions supportive of regional integration, and in this respect, the first Lome Convention was a marked improvement on the previous association treaties linking African states with the E.E.C. The operational performance of the E.E.C. within the purview of the Lome Convention seems, on the face of it, to support the view that the Lome Convention is compatible with the move towards regional integration in West Africa. For instance, since ECOWAS was established, the E.E.C. has rendered a variety of technical and financial assistance, including financial allocation of 590,000 e.u.a. or N 404,110 out of a total of 110 million e.u.a. or N 82.8 million allocated to regional projects in West Africa *(89)*. It has also committed a sum of 44 million e.u.a. or N 30.1 million as special loan from the E.I.B.

for the West African Cement Company (C.I.M.A.O.), a joint venture undertaken by Ghana, Ivory Coast and Togo *(90)*.

A closer look at the attitude of the E.E.C. to regional integration in West Africa or the provisions and operation of the Lome Convention *vis-a-vis* the conditions for regional integration in West Africa will however reveal that they are incompatible. The ultimate effects of the provisions and operation of Lome I will be to intensify those aspects of West Africa's relations with Europe which will eventually frustrate economic integration of the sub-region. There are certain aspects of West Africa's relationship with Europe which are, in the long term, harmful to regional economic integration and development but which, apparently for tactical reasons, even the ECOWAS treaty left untampered with. The effect of the successful operation of Lome I would be to strengthen these anti-integrationist aspects thereby increasing the problems which ECOWAS will face as an instrument of economic integration.

The Lome Convention, by encouraging an increase in economic transactions between West African states and Europe, discourages, by the same token and to the same extent, the growth of horizontal economic links among the states of West Africa. As vertical trade links between the West African associates and the E.E.C. member states increase, horizontal links among the West African states themselves will either correspondingly decrease or grow at a much slower rate. Nigeria's experience amply illustrates this phenomenon. Between 1975 and 1978, E.E.C.'s share or Nigeria's total non-oil exports to the world showed an appreciable increase, rising from 57.1 per cent to 80.6 per cent. Correspondingly, West Africa's share of Nigeria's total non-oil exports fell from 0.36 per cent in 1975 to 0.26 per cent in 1978 *(91)*. The trend in the pattern of trade relations is reinforced by the effect of aid. The manner of E.E.C. aid is such that it encourages increased economic transaction between Africa and Europe generally. The extension of financial credits and grants by the E.E.C. sets off local demands in the recipient African states for capital equipment and their components or spare parts which can only be supplied by the donor country. Even STABEX is designed to discourage the diversification of economic links away from the E.E.C. members states. Payment of STABEX is confined to earnings from exports to E.E.C.

The result of increased transaction flow between West Africa and Europe will be that greater importance will be attached to relations with Europe than to intra-West African relations. By freezing or weakening the existing level of horizontal transnational transactions in West Africa, and encouraging greater interaction with Europe, the association transmits a message of low salience in intra-West African relations to African leaders, thereby undermining the basis of regional integration.

Furthermore, the pattern of E.E.C. aid to regional organizations in West Africa is such that it tends to encourage the simultaneous development of competitive regional groupings thus pre-empting the consolidation of an all-embracing economic grouping. Under Lome I, the pattern of distribution of E.E.C. aid to regional projects in West Africa was as follows: ₦ 3.42 million to the Mano River Union; ₦ 68,438.00 to the Communaute

Economique de l'Afrique Occidentale (C.E.A.O.); and N 404,110 to ECOWAS *(92)*. By encouraging, through financial support, the existence of rival regional economic groupings in West Africa, the Lome Convention will have the effect of delaying the growth of a comprehensive regional economic grouping, like ECOWAS.

Perhaps, the most important point here is that the Lome Convention encourages the penetration of West Africa economies by foreign investment. This is harmful to regional integration for several reasons. To start with, it will perpetuate the control of the economies of West African states by European based multinational corporations. This seems, in fact, to be the *raison d'être* of the Centre for Industrial Development. Such foreign monopolies will use their vantage positions in the economies of West African states to frustrate integration if they consider it harmful to their interests or they may seek to become prominent in intra-West African economic transactions in order to have a veto power over both the pace and direction of economic integration and development *(93)*. If regional integration takes place in a situation where the national economies are dominated by foreign monopolies, it is to these firms that the benefits of a large market will accrue. Economies of scale arising from a larger market may be achieved, but the real benefits will be transferred to the home countries of the foreign monopolies; the West African states themselves will gain little. Indeed, whether or not they are in control of the national economies of West African states, the effect of increased role of foreign monopolies in West Africa will be to undermine regional integration. This is because, by their *modus operandi,* they create socio-economic imbalance in those areas where they operate. In their search for maximum profits, foreign firms invest mainly in areas of gainful exploitation of labour and resources *(94)*. This will compound the difficulties of the institutions and procedures established to correct the existing socio-economic imbalance and so will help to increase the disenchantment of the underprivileged members of the community with those common institutions. In this way, the activities of foreign monopolies work to strengthen the forces of polarization instead of consolidating those of integration.

In sum, the Lome Convention reinforces those aspects of Africa-Europe relations which are potentially harmful to economic integration in West Africa. It encourages trade with Europe and, by the same token, discourages the growth of intra-West African trade; it encourages reliance on foreign capital for economic development thereby increasing the opportunities for foreign monopolies to control African economies and dictate the pace of development and integration; it intensifies the economic exploitation of African states and perpetuates the existence of unviable competitive regional groupings. The ECOWAS treaty does not make provisions for dealing with these fundamental problems, but it will confront them in future. The Lome Convention compounds these difficulties and ensures that by the time ECOWAS comes round to them they have become intractable.

Nigeria's association with the E.E.C. is also harmful to her interest in several other ways. It facilitates the consolidation of cultural and ideological penetration of Nigeria by Europeans. Participation in joint A.C.P. – E.E.C. consultative or deliberative institutions provides extra opportunities for conveying to Africans in subtle ways the presumed superiority of certain political institutions and decision-making procedures with ideologically biased implications. Moreover, the political goodwill and intimate relationship flowing from the association provides a congenial atmosphere under which Nigeria and other African states become more susceptible to suggestions of co-operation in such non-economic fields as cultural affairs, thus further complicating Nigeria's and Africa's task of becoming culturally and ideologically independent of Europe.

Again, the association affords the E.E.C. member states a useful opportunity to impose their own conception of the relationship between the individual and the state on the associates and to get them to adopt Western European standards of political behaviour. The Human Rights issue which the E.E.C. member states have persistently raised is a case in point. The point is not really whether those standards of political behaviour are the best or the worst, the highest or the lowest. The point is that unless African states themselves either evolve or voluntarily adopt certain standards of political behaviour in the light of their individual experiences and circumstances, they are not likely to understand, appreciate and sustain them.

Finally, the association tends to increase the avenues through which the European powers apply pressure on Nigeria and other associates to modify those policies which they do not like. For instance, it was reported in 1979, that Britain sought the backing of the E.E.C. to persuade Nigeria to relax rules pertaining to pre-shipment inspection of imports on the ground that they were discriminatory in application and could develop into a non-tarriff barrier to trade *(95)*. Of course, theoretically, Nigeria and other A.C.P. states could also use A.C.P. – E.E.C. fora to apply pressure on the European powers. But in practice, such pressure would have much less effect given the weaker bargaining position of African states under the Lome Convention.

CONCLUSION

Nigeria became associated with the E.E.C. under the first Lome Convention primarily for political rather than economic reasons. Economically, the Convention has not been of any significant benefit to the country. Politically and diplomatically too, its effects are at best of doubtful value: Nigeria's leadership of the Third World is best exercised outside the watchful eye and beyond the interfering reach of European powers; indeed the leadership of A.C.P. is harmful to a vanguard role in the process of creating solidarity among the Third World Countries for A.C.P. solidarity will detract from wider Third World solidarity; and the process of regional integration in West Africa will not, in the long run, benefit from Nigeria's or West Africa's continued association with the E.E.C. because the association will consolidate Africa's vertical integration with Europe. Nigeria should therefore not negotiate for a third Lome Convention; she should rather persuade other West African states to sign only simple commercial agreements with the E.E.C. and concentrate, instead, on building up ECOWAS as an instrument of economic integration in West Africa. However, given the present political leadership in West Africa and the prevalent pattern of external economic ties, it is safe to predict that this advice will be followed neither by Nigeria nor any other West African states in the foreseable future.

FOOTNOTES

1. See Ibrahim A. Gambari, *Party Politics and Foreign Policy: Nigeria under the First Republic.* (Zaria: Ahmadu Bello University Press, 1980) pp. 115 and 120.
2. P.N.C. Okigbo, *Africa and the Common Market* (London: Longmans, Green and Co. Ltd., 1967) p. vii.
3. *Ibid.*, p. 118.
4. Olajide Aluko, *Ghana and Nigeria 1957–1970: A Study in Inter-African Discord.* (London: Rox Collings, 1976). p. 214.
5. *Ibid.*
6. Aluko, *Essays on Nigeria's Foreign Policy.* (London: George Allen & Unwin 1981) P. 8.
7. *Ibid.*
8. *Ibid.*, p. 189.
9. Interview: Mr. Idikogi, Federal Ministry of Trade, Lagos – 24 March, 1976.
10. Aluko, *op. cit.*, (1981) pp. 77 and 188.
11. *Ibid.*
12. *Ibid.*
13. Wenike Briggs 'Negotiations Between the Enlarged European Economic Community and the Africa, Caribbean and Pacific (A.C.P.) Countries'. *Nigerian Journal of International Affairs*, Vol. 1 No. 1 (July 1975) p. 16.
14. Aluko, *op. cit.*, (1977) p. 215.
15. Briggs, *loc. cit.*
16. Aluko, *op. cit.* (1981) p. 78.
17. *Africa Diary*, April 9–15, 1973 – p. 6425.
18. Douglas Anglin, 'Nigeria: Political non-alignment and Economic Alignment'. *Journal of Modern African Studies 2*, 2 (1964).
19. For a detailed discussion, see John J. Stremlau, The International Politics of the Nigerian Civil War, 1967–1970 (Princeton, New Jersey: Princeton University Press, 1977) pp. 224–233; 294–297.
20. Aluko, *op. cit.*, (1977) p. 105.
21. *Ibid.*, p. 216.
22. *Ibid.*, (1981) p. 75.
23. Central Bank, *Annual Reports;* cited in A.H.M. Kirk-Greene and Douglas Rimmer, *Nigeria Since 1970* p. 136.
24. Federal Republic of Nigeria, *Second National Development Plan, 1970–1974: Second Progress Report.* (Central Planning Office, Federal Ministry of Economic Development and Reconstruction, Lagos, 1974).

25. See table in *Ibid.* pp. 15–16.
26. Central Bank of Nigeria, *Nigeria's Principal Economic and Financial Indicators, 1970–1977* (Pamphlet, n.d.) p. 2.
27. Kirk-Greene and Rimmer, *op. cit.*, p. 76–77.
28. *Nigeria's Principal Economic and Financial Indicators* (g.v.) p. 6.
29. J.D.B. Miller, *Survey of Commonwealth Affairs: Problems of Expansion and Attrition 1953–1969.* London: Oxford.
30. *Ibid.*, p. 288.
31. David William's 'West Africa and the European Community: Towards Association'. *The Round Table* No. 250 (April, 1973) pp. 217 – 219. See also Aluko, *op. cit.*, (1981) p. 876.
32. Williams, *loc. cit.*
33. Joan Edelman Spero, *The Politics of International Economic Relations.* (London: George Allen & Unwin, 1977), p. 175.
34. *Africa Research Bulletin* (Econ. and Tech. Series) Vol. 10, No. 2, March 31, 1973 – p. 2643.
35. Aluko, *op. cit.*, (1981) p. 73.
36. Kirk-Greene and Rimmer, *op. cit.*, p. 136.
37. Aluko *op. cit.*, (1977) p. 215.
38. Williams, *loc. cit.*, p. 220.
39. Briggs, *loc. cit.*, p. 17.
40. *Ibid.*,
41. *Ibid.*
42. cited in Aluko, *op. cit.*
43. Briggs, *loc. cit.*, p. 17.
44. *Ibid.*, p. 18.
45. Aluko, *loc. cit.*, (1981) p. 78.
46. Briggs, *loc. cit.*, p. 16.
47. *Ibid.*
48. *Ibid.*
49. *Ibid.*
50. *Ibid.*
51. *Ibid.*
52. *Ibid.*
53. *Ibid.* p. 19
54. Ruth Weiss, 'Africa and the E.E.C.' in Colin Legum, ed., *Africa Contemporary Record: Annual Sruvey and Documents 1974–1975.* (London: Rex Collings, 1975) – p. 17.
55. Zdenek Cervenka, *The Unfinished Quest for Unity: Africa and the O.A.U.* (London: Julian Friendmann Publishers, Ltd., 1977), pp. 118.
56. Aluko, *op. cit.*, (1981) pp. 25.
57. Okwudiba Nnoli, «Trade and Politics in the West African Region, 1966–1976». A paper sponsored by the Nigerian Army Headquarters presented at the Senior Army Officers Conference, Jos, May 2–6, 1977 (unpublished) pp. 10.

58. James Mayall, «The Implication of the Enlarged EEC for Africa: Exploitation or Partnership» (Draft) pp. 5.
59. *Ibid.*, pp. 5.
60. See O.J.N. Ojo, «Nigeria and the Formation of ECOWAS». *International Organization* 34, 4 (Autumn, 1980) pp. 596; and *Africa Dairy,* December 3–9, 1971.
61. Briggs, *loc. cit.*, pp. 22.
62. Ayaovi Mensah, 'ECOWAS – Salvation or Neo-Colonialism Intensified' *Nsukkascope* No. 6 (June 1978) pp. 35–46.
63. *Lome Convention,* Articles 1–6, 10.
64. *Ibid.*, Article 11.
65. *Ibid.*, Article 7,2 (a) and (b).
66. See Adrian Hewitt and Christopher Stenvens, «The Second Lome Convention» in Christopher Stevens, ed., *E.E.C. and the Third World: A Survey 1.* (London: Holder and Stoughton, 1981) pp. 35–37.
67. *Nigeria Trade Summary,* 1975 and 1978.
68. Central Bank of Nigeria, *Economic and Financial Review,* Vol. 16, No. 2. December 1978, p. 15.
69. *Nigeria Trade Summary,* 1975 and 1978.
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71. Stevens, ed., *op. cit.*, p. 37.
72. *West Africa.* 5th January, 1981, p. 28.
73. *Nigeria Trade Summary,* 1975 and 1978.
74. *Ibid.*
75. *Nigeria's Principal Economic and Financial Indicators* (g.v.), pp. 2.
76. *Ibid.*, pp. 9.
77. *Nigeria Trade Summary,* 1975 and 1978.
78. *The Lome Convention 1,* Articles 31 and 50.
79. See *Ibid.*, Articles 40 and 42.
80. *The Courier* (May-June, 1980), pp. 43.
81. *Ibid.*
82. *West Africa,* 9th November, 1981, pp. 2627.
83. *The Courier,* No. 64 (Nov.–Dec., 1980) pp. 45 and 46.
84. Quarterly Economic Review of Nigeria (2nd Quarter), 1981, pp. 18–19.
85. Chief Peter Afolabi, Nigeria's Ambassador to Brussels, *The New ACP–EEC Convention: Lecture series No. 32.* (Monograph published by the Nigerian Institute of International Affairs, Lagos, 1981) p. 64.
86. Dr. F. Aribisala, 'The Lome Convention and African Economic Integration': Paper presented at the Conference on the Lome Convention (Lagos: N.I.I.A., June 14–16, 1982), p. 4.
87. See Gowon's view on this point in *West Africa* 24th May 1982, p. 1367.
88. Isebill Gruhn, «The Lome Convention: Including Towards Interdependence» cited in Aribisala, *op. cit.*, p. 8.
89. *West Africa* 2.3.81, p. 452.
90. Aribisala, *op. cit.*, pp. 10–11.
91. *Nigeria Trade Summary 1975 and 1978* (December issues).

RESUME

Depuis 1960, le Nigéria a toujours observé une attitude très méfiante quant à son association avec la Communauté Economique Européenne. C'est ainsi que les différents gouvernements nigérians qui se sont succédés de 1960 à 1980 ont toujours d'abord refusé de s'associer à la C.E.E. dans un premier temps pour finalement l'accepter. Ce sont ces hésitations des gouvernements nigérians que l'auteur cherche à expliquer. Il veut aussi voir dans quelle mesure les dispositions de l'accord qui a été signé ont été satisfaisantes à la lumière des objections fondamentales du Nigéria et aussi dans quelle mesure la mise en œuvre de la Convention de Lomé a ou n'a pas servi les intérêts nationaux du Nigéria.

En ce qui concerne le premier point, l'auteur fait remarquer que bien que le refus initial du Nigéria de s'associer à la C.E.E. ait été toujours motivé par des calculs d'intérêt national, les changements de décision qui suivirent étaient toujours le résultat d'une soumission progressive aux pressions externes mais aussi de la dynamique de l'économie politique du Nigéria. A l'origine de ce refus se trouvait la nécessité de préserver l'intérêt national surtout pendant la guerre civile parce qu'il fallait obligatoirement assurer la survie de la nation. Mais après les contraintes imposées par cette guerre, les dirigeants nigérians ne sentant plus la nation menacée, perdirent de vue le caractère urgent de la préservation des intérêts nationaux et acceptèrent les politiques qui tendaient à maintenir le statu-quo. C'est ce qui, entre autres raisons, a facilité l'acceptation du Nigéria d'intégrer l'association à la C.E.E.

Dans les deux dernières parties de son article, l'auteur montre que, tant sur le plan de la coopération en matière commerciale que sur celui de la coopération industrielle, technique et financière, le Nigéria n'a pas tiré de bénéfices économiques substantiels. Au contraire, le rôle de leader qu'il devrait jouer dans le contexte africain s'est considérablement affaibli et la solidarité entre les pays du tiers-monde en général et ceux de l'Afrique en particulier a été sérieusement affectée.

Le point de vue de l'auteur est donc que le Nigéria ne doit pas entrer dans les négociations pour Lomé III. Il devrait au contraire persuader les pays de l'Afrique Occidentale de ne signer que des accords commerciaux avec la C.E.E. pour concentrer la plus grande partie de leurs efforts à la construction de la C.E.D.E.A.O. comme instrument d'une intégration économique véritable en Afrique Occidentale.