

# TRADE ACROSS FRONTIERS: AN OVERVIEW OF INTERNATIONAL TRADE BEFORE THE ADVENT OF MODERN ECONOMIC SYSTEM IN NIGERIA

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**Resumen:** El área ahora designada Nigeria tiene una larga historia de las comunidades de comercio a través de las fronteras con las tierras vecinas y distantes mucho antes de la llegada de los europeos y la introducción de los modernos sistema de comercio internacional. Las diversas organizaciones políticas que surgieron y que controlan diferentes partes de la zona participaron y se beneficiaron de manera efectiva del comercio de larga distancia, lo que les dio la oportunidad de intercambiar sus excedentes por lo que les faltaba, pero que estaba disponible en otros lugares, lejos o cerca. Con referencia a la naturaleza del medio ambiente de Nigeria, la especialización regional, las relaciones de comercio exterior y la capacidad de la economía tradicional, este trabajo examina el comercio internacional de la Nigeria pre-colonial y su impacto en la economía. Se concluye que la distorsión del comercio interregional y de la estructura de la economía nigeriana pre-colonial comenzó con la penetración gradual de los europeos en el interior del país para llevar a cabo la compra directa de palma a los productores después de la abolición del comercio de esclavos.

**Palabras clave:** Comercio, Comercio internacional, el comercio a larga distancia, el comercio exterior, la economía nigeriana.

**Abstract:** The area now designated Nigeria has a long history of communities trading across fron-

tiers with neighbours and distant lands long before the arrival of the Europeans and the introduction of modern international trading system. The various polities that emerged and controlled different parts of the area participated effectively and benefited from long distance trade, which afforded them the opportunity to exchange their abundance for what they lacked but which was available elsewhere whether far or near. With reference to the nature of the Nigerian environment, regional specialisation, external trade relations and the capacity of the traditional economy, this paper examines international trade in pre-colonial Nigeria and its impact on the economy. The paper concludes that the distortion of inter-regional trade arrangement and the structure of pre-colonial Nigerian economy began with the gradual penetration of Europeans into the hinterland to effect direct purchase of palm produced from producers after the abolition of slave trade.

**Keywords:** Trade, International trade, Long distance trade, External trade, Nigerian economy

## 1. INTERNATIONAL TRADE IN PRE-COLONIAL NIGERIA

A significant feature of the economic history of the areas now designated Nigeria before the advent of modern economic system was a vibrant trade relation and exten-

sive commercial activities that existed between the people of the area and populations of frontiers far and near. During this early period, the concept of international trade is unknown. The movement of commodities, services and capitals across frontiers in exchange for products of state necessities or luxury values occurred in the form of long-distance trade, which was conducted over a complex network of overland and water routes across the frontiers of states and regions of West Africa and beyond.

Indeed, the conduct of international trade in the context of long distance trade before the advent of modern economic system was not strictly defined by exchanges of goods and services across distinct national boundaries, rather trade was basically across frontiers of chiefdoms, kingdoms, empires and regions within the West African sub-region and with the population North of the Sahara. Fundamentally, it would be inappropriate to apply the concept of nation-state invented in Europe in the seventeenth century to the political entities that existed in pre-colonial West Africa. Rather, chiefdoms, kingdoms and empires existed as states in the region. Thus, within the geography of the present day Nigeria, where there existed a number of chiefdoms, kingdoms and empires, long distance trading activities occurred as international trade. The economic history of the people of this area, particularly, indicated the direction of trade to be largely intra-West Africa and across the Sahara with the Arabs of North Africa. There were only a few indications of trade relations between the people that inhabited the area and those of the East and Central African regions. Exchange was largely by barter although there were evidences of the use of varieties of currency in some areas of West Africa, including the Nigerian area, to facilitate exchange where trade by barter appeared knotty.

As an integral component of the traditional economy, long distance trade stimulated the growth of economic activities in the various regions of the Nigerian area. Essentially, the growth of intergroup and interregional trading activities facilitated by the dependent and complementary nature of the geographical zones and regional specialisation gradually expanded into medium and long distance trade across frontiers and regions, while subsequent devel-

opment in means of transportation increased the scope and volume of the trade with distant lands. In this regard, long distance trade and trading relations engendered increased contact between the people of the Nigerian area and places located outside the boundary of present day Nigeria. Thus, commercial links and long distance trading arrangement constituted a major force that engendered close economic relations and interdependence among the people of Nigeria and their neighbours during this period. Given this background, it would be gainful to examine the pre-colonial economy of people that settled the Nigerian area and how it facilitated trade beyond their frontiers.

## 2. PRE-COLONIAL NIGERIAN ECONOMY AND TRADE ACROSS FRONTIERS

The nature and structure of the economies operated by the people of the Nigerian area during the pre-colonial period naturally supported and facilitated the development of external trade. This was because the Nigerian environment, which falls broadly within savannah, forest and the mangrove swamp, made interdependence among the people that settled in the area inevitable and economic cooperation necessary. The environment, to a large extent, determined what was produced in each zone and consequently influenced the pattern of distribution of products of the zones or the direction of trade. More so, the diversity of the natural potentials of each zone also gave rise to specialisation in a variety of viable economic activities and occupation, which engendered the production of surplus value for exchange and distribution. Thus, the people of this era, as a natural response to the features of their environment, operated what some scholars have described as considerably market-oriented economies, which thrived on agriculture, industry and trade.

Across the zones of the Nigerian area, agriculture was essentially the predominant economic activity. Communities engaged in production of crops for food, economic and industrial purposes, which were taken to local and distant markets in exchange for products different from what they produced. In many of the communities, different markets were established for locally produced and foreign goods to encourage local production as well as to attract long dis-

tance traders from other areas. Particularly, in areas where there was low soil fertility, like in the northern section of Igboland, trading was an appealing alternative to farming. Traders from this region engaged in long distance and local trade, specialising in the distribution of specific merchandise in a way that guaranteed profits.<sup>1</sup> In the coastal areas, fishing and salt making were the preferred economic activities while farming and other occupation usually served as complementary occupation. In the savannah region, particularly the communities in the northern part, agricultural production, animal husbandry and extensive trading activities dominated the economic activities. Farming and trading were also dominant in the Yoruba country of the southwest. Essentially, across the regions of the Nigerian area, production for market was a huge motivation for embarking on economic activities during the pre-colonial period. Hence, long distance trading flourished as an integral component of the traditional economy.

Long distance trading activities principally contributed to the emergence, growth and sustenance of states and empires that controlled the different parts of the Nigerian area during the pre-colonial era. Indeed, as states and empires of the forest and the savannah areas evolved extensive city systems trading activities between them increased, especially as they reached out to expand trade and profits to secure resources for further expansion and prosperity. The various articles of trade from each zone went into the various networks and rings of short and long distance markets that crisscrossed the length and breadth of the Nigerian area and connected the people with neighbouring frontiers and beyond. There grew a number of inter-regional trading centres and linkages in different directions, East-West and North-South, to facilitate distribution and exchange of products. There were also trans-Saharan trade to countries of North Africa, Nile Valley region and Southern Europe as well as transnational trade to neighbouring countries, including communities located in present day Cameroun, Republic of Benin, Togo, Niger and Chad. From the six-

<sup>1</sup> A. A. Lawal, "The Economy and the State from Pre-Colonial Times to the Present," in Akinjide Osuntokun and Ayodeji Olukoju (eds.), *Nigerian Peoples and Cultures* (Ibadan: Davidson Press, 1997), 179.

teenth century, there developed trans-Atlantic trade to countries of South and Latin America, and later to Western Europe after the abolition of slave trade. An important point to note is that the economies of the people of the Nigerian area during the era was able to sustain these trading links without any external support.<sup>2</sup>

In the savannah region of the Nigerian area, trade was especially strategic to the emergence of the organised communities that developed there. Essentially, between the eighth and fourteenth centuries, the various Hausa city-states, such as Katsina, Daura, Kebbi, Kano, Rano, and Zazzau (Zaria) as well as the Kanuri state of Ngazargamu in Kanem-Borno grew in significance and emerged as centres of flourishing commercial activities. They were destinations for traders and caravans from within and beyond the frontiers of the Nigerian area. However, a great deal of trade transactions of these city-states was with North Africa through several trade routes from Kano to different locations, particularly Agadez, Morocco, Algeria, Tunisia, Tripolitania, Cyrenaica, Borno, Waddai, Darfur and Egypt. In fact, the northern trading cities played host to a number of merchant traders, mostly Arab, who organised caravans to and from North Africa and established a couple of merchant settlements. Caravans brought imports from North Africa and exported local products from Hausaland. By the fourteenth century, Kano, particularly, had become a thriving commercial emporium and the leading Southern terminus and entrepot of the trans-Saharan trade controlling the trade in goatskins, tanned hides, leather goods, kolanut, salt, textile, especially the famous Kano cloth, and imported manufactures from regions around the Mediterranean.<sup>3</sup>

<sup>2</sup> Ibid., 179 – 180; "Nigeria: the Colonial Economy, 1860 – 1960," <http://www.onlinenigeria.com/links/adv.asp?blurb=467> (accessed 18 March 2011).

<sup>3</sup> Akinjide Osuntokun, "Political Culture and Urban Development in Nigeria: A Historical Overview," in Akinjide Osuntokun and Ayodeji Olukoju (eds.), *Nigerian Peoples and Cultures* (Ibadan: Davidson Press, 1997), 44; Lawal, "The Economy and the State," 184; "Nigeria: The Northern Kingdoms of the Savanna," [http://www.mongabay.com/history/nigeria/nigeria-the\\_northern\\_kingdoms\\_of\\_the\\_savanna.html](http://www.mongabay.com/history/nigeria/nigeria-the_northern_kingdoms_of_the_savanna.html) (accessed 18 March 2011); R. A. Olaniyi, "North Africa and Pan Africanism: Retrospect and Prospect," being paper presented at the North African Sub-Regional

The trading empire of Kanem-Borno controlled the trade routes around the Lake Chad area and enjoyed extensive long-distance trading relations with the states and trading cities occupying the Nile valley region and northeast Africa as well as with the Hausa states lying west of the empire. Borno's prosperity, essentially, depended on the trans-Sudanic trade in slave and the desert trade in salt and livestock. Ngazargamu, the empire's capital, was a major terminus on the eastern route of the trans-Saharan trade, which linked the northeastern part of the Nigerian area with such trading centres as Fezzan, Cyrenaica, Egypt and the Nile valley cities of Waddai, Darfur and the Funj Sultanate of Senar.<sup>4</sup>

In Borno, just as in Hausaland and other states and empires of West Africa, the control of external trade was an exclusive preserve of the state. The kings or designated officials of the state managed trade affairs within the state. This was because the sustenance and prosperity of some of these states depended on the revenue generated from tolls and special taxes collected from traders that pass through or converge in their domain. Consequently, the interconnectedness and interrelations facilitated by the dependent and complementary nature of the environment and the resulting specialisation of each zone made long distance trade relations inevitable as long distance trade became the platform for the earliest form of 'international relations' between the states and empires of the Nigerian area and their counterparts with which they had trade relations. Moreover, a general trend observable, particularly, in the Savanna zone during this period was the development of trade out of needs of long distance

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Conference, Cairo, Egypt, 27<sup>th</sup> – 28<sup>th</sup> September 2003; P. O. Elegalam, "Impact of External Trade on Traditional Economy," in G. O. Ogunremi and E. K. Faluyi (eds.), *An Economic History of West Africa since 1750* (Lagos: First Academic Publishers, 2005), 74-76.

<sup>4</sup> History of Nigeria before 1500, [http://en.wikipedia.org/wiki/History\\_of\\_Nigeria\\_before\\_1500](http://en.wikipedia.org/wiki/History_of_Nigeria_before_1500) (accessed 18 March 2011); "History of Nigeria," <http://www.historyworld.net/wrldhis/PlainTextHistories.asp?historyid=ad41#ixzz1Q07FE5cf> (accessed 18 March 2011).

trade. A clear example was the development of the salt industry as well as the kolanut trade to meet the needs of the region.

During the fifteenth century, there was a general rise in trading activities in West Africa and this had tremendous impact on agriculture in the sub-region including the Nigerian area as agricultural production became more and more market oriented; food and non-food commodities were produced increasingly to meet market demands for the products at home and abroad. The rise was occasioned by growing demand for West African products by Arab traders, which thus placed increased demand on West African traders and production centres. For instance, the discovery of kolanut in commercial quantity during this period in the Yoruba countries of southwestern Nigeria as well as in the Asante forest of present day Ghana subsequently led to the development of long distance trading activities between the trading cities of northern Nigeria and Badagry<sup>5</sup> in the southwest and Gonja in the Asante forest. Caravan routes developed between Sokoto and Badagry and between Kano and Gonja both of which passed through Borguland<sup>6</sup> and attracted more traders into the area, especially the Wagara and the Gambari (Hausa), who settled along the trade routes from Hausaland to Gonja and Badagry. Some scholars have particularly claimed that the high demand for kolanut in Hausaland in the fifteenth century attracted more traders from the Nigerian area and beyond into the kolanut trade, such that the trade routes that developed thereof between Hausaland, Badagry and Gonja brought immense wealth to Borguland, which lay between the production centres and the commercial towns.<sup>7</sup>

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<sup>5</sup> In the pre-colonial period, Badagry served as a commercial emporium for the Yoruba hinterland where caravans from the various hinterland countries converged before dispersal to other parts of the country.

<sup>6</sup> Borgu was the inland region of West Africa, covering parts of what is now Benin and Nigeria and bounded northeast and east by the Niger River. In the Nigerian area, Borguland covers the traditional emirate of Niger State, western Nigeria.

<sup>7</sup> M. B. Idris, "Political and Economic Relations in the Bariba States" (Ph.D. thesis, University of Birmingham, 1973) cited in Olayemi Akinwumi, "Princes as Highway Men," *Cahiers d'études africaines* [Online], 162 (2001): 333 – 350; P. E. Lovejoy, "Long Distance

In the forest region of the Nigerian area, trade and distribution of agricultural and non-agricultural products also kept up continuous interaction between the various communities, kingdoms and empires that developed there as well as with those in the coastal and Savanna areas, interchanging their abundance for what they lacked or needed. Caravan routes linking one town to another facilitated the movement of goods within the region. Although the trade routes interlinked and crisscrossed one another, the direction of trade was largely towards the savanna area until the sixteenth century when the trade routes were gradually re-oriented towards the coast in response to the demand of the emergent trans-Atlantic trade.

The Igbo of the southeastern area of the forest zone were particularly agricultural people and long distant traders, who settled in a well-structured society with wide-ranging economic relationships. Their settlement at Igbo-Ukwu was an outpost for the trans-Saharan trade routes. The Igbo traded such items as gold, slave, salt, cowry shells, weapons, expensive cloth, pepper, ivory, kolanut, and leather goods and were good travellers.<sup>8</sup> They had extensive long distance trade relationship with Igalaland, Benin Kingdom, the coastal states of the Niger Delta, the Yoruba hinterland, Tadmekka in the Sahara, Arab traders from North Africa and, to a lesser extent, with neighbouring communities in present day Cameroun. Copper and lead used in producing bronze for bronze casting were obtained from Tadmekka, while coloured glass beads used for ornaments were obtained through Arab traders who brought in the item from Venice and India via the trans-Saharan trade routes linking Egypt, the Nile valley, the Chad basin, and Kanem-Borno with the trade outpost of Igboland.<sup>9</sup> More so, Western Igbo kingdoms like Aboh, dominated trade in the

lower Niger area from the seventeenth century until European penetration.

In the Niger Delta, long-distance trade particularly served as focal points for the states that developed in the region. Although broadly categorised as part of the forest region, geographically, the Niger Delta area is an extensive mangrove swamp with limited dry land area for agriculture or resources needed for the formation of large states.<sup>10</sup> Hence, the Niger Delta states depended largely on long-distance trading relations with commercial and agricultural centres located several miles away from the region for survival. Essentially, long-distance trading activities in the Niger Delta developed along two distinctive directions: the north-to-south axis, which was depended upon for the supply of agricultural produce to the states in exchange for salt and fish and a east-to-west axis linking the states with places as far west as Lagos and the Ijebu country for trade in specialist goods produced in various localities.<sup>11</sup> Particularly, there are records indicating the existence of trade relations between traders from the Niger Delta and people of Ijebu waterside (*Makun Omi*) as far back as the eighteenth century. Moreover, oral tradition of the Niger Delta indicated that trade passed westwards to Warri and beyond the Benin River to connect the routes to the lagoon ports of the Ijebu country and Lagos.<sup>12</sup>

The Yoruba country of southwestern Nigeria was a destination point for a number of long-distance traders during the pre-colonial period. Hence, long-distance trade was an integral part of the economy of the people of the area and was as important as agriculture, the dominant economic activity in the region. A vibrant long-distance trading relation thus existed between the people of the region and populations across frontiers as far as the delta region east of the

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Trade and Islam: The Case of the Nineteenth Century Hausa Kola Trade," *Journal of Historical Society of Nigeria* IV, no. 4 (1971): 537-539.

<sup>8</sup> "Origin & History," <http://www.icsn.co.uk/page.php?pageID=history> (accessed 18 March 2011).

<sup>9</sup> J. F. Ade Ajayi and Toyin Falola, "Nigeria," *Encyclopaedia Britannica Online*, <http://www.britannica.com/EBchecked/topic/414840/Nigeria> (accessed 18 March 2011).

<sup>10</sup> Martin B. Thorp, David P. Gamble and Rosemary Lois Harris, "Western Africa," *Encyclopaedia Britannica 2009 Ultimate Reference Suite* (Chicago: Encyclopaedia Britannica, 2009).

<sup>11</sup> E. A. Alagoa, "Long-Distance Trade and States in the Niger Delta," *Journal of African History* XI, no. 3 (1970): 319-329.

<sup>12</sup> Faluyi Kehinde, "Migrants and the Development of Lagos from Earliest Times to 1800," *Lagos Historical Review* 1(2001): 68-79.

Niger River, the Benue basin, and the commercial centres of northern Nigeria. Caravan routes existed between Lagos and northern Nigeria, which passed through such area as Ota, Eruwa, Lanlate, Iseyin, Okaka, Saki, Ilesa, and from there to Borgu, Nupe, Sega and other parts of northern Nigeria just as there were water routes linking the region with communities in the Niger Delta.<sup>13</sup> Trade in agricultural produce dominated transactions with other regions. Of comparable importance to trade in agricultural products was the textile industry, which equally engendered long-distance trade as specialised cloths were made for export to neighbouring regions.

Yoruba traders were good travellers; their trade caravans travelled as far west as communities located in present day Togo and Ghana. Indeed, so significant was the caravan trading system that developed in Yorubaland during the pre-colonial period that some scholars have argued that any discussion of trade in pre-colonial southwestern Nigeria without a proper attention to the place of caravans would be incomplete.<sup>14</sup> W. H. Clarke noted this phenomenon and wrote in his mid-nineteenth century travel and exploration account of Yorubaland:

“On the various trading routes may be seen caravans of fifties passing almost daily from one town to another, acting as branches of the great reservoirs of a network of trade carried to a distance of hundreds of miles, and with an energy and perseverance scarcely compatible with a tropical people... Hundreds and thousands of people are thus engaged in the carrying trade. In the disturbed state of the country, when several caravans are thrown together for the purposes of defence a correct idea of the extent of trade may be found in the im-

posing numbers that stretch over miles in length”.<sup>15</sup>

The major Yoruba kingdoms that emerged in the pre-colonial period particularly owed a great deal of their survival and prosperity to their involvement in long-distance trade. The kingdom of Ife, which lay at the centre of a trading network with the north, supported its court with tolls levied on trade caravans and participated in long-distance trade. Oyo, which succeeded Ife at the border between the savanna and the forest, also used the profits of long-distance trade to develop the state and to secure extensive trade link with countries farther west and north.<sup>16</sup> Oyo participated profitably in the trans-Saharan trade. In addition, the Ijebu kingdom for several centuries dominated the trade between the ports of the Lagos Lagoon and the Yoruba hinterland. The capital of the kingdom was a major collecting station for kolanuts, which were subsequently transported to the commercial centres in the north via Badagry.<sup>17</sup>

However, the development of legitimate trade in the nineteenth century as a strategy to suppress slave trade as well as to provide industrial input and market support for Europe had significant transforming effect on trade relations within and beyond the frontiers of the Nigerian area as virtually all internal long-distance trade routes were gradually re-orientated towards the Atlantic coasts. Thus, the trans-Atlantic trade beginning with slave trade and, later, legitimate trade engendered long-distance trade relations between the people of the Nigerian area and merchants from America and Europe.

The towns of Ughoton, southwest of Benin, Badagry and Lagos were important ports for the Atlantic trade, and control of the trade routes into the interior was a major issue, especially in

<sup>13</sup> L. C. Dioka, *Lagos and Its Environs* (Lagos: First Academic Publishers, 2001), 21; Olukoju Ayodeji, “The Politics of Free Trade between Lagos and the Hinterland, 1861 – 1907,” in Ade Adefuye, Babatunde Agiri and Jide Osuntokun, *The History of the Peoples of Lagos State* (Lagos: Lantern Books, 1997), 91.

<sup>14</sup> Toyin Falola, “The Yoruba Caravan System of the Nineteenth Century,” *The International Journal of African Historical Studies* 24, no. 1 (1991): 111.

<sup>15</sup> W. H. Clarke, *Travels and Explorations in Yorubaland, 1854 – 1858*, ed. by J. A. Atanda (Ibadan, 1972), 263 – 65.

<sup>16</sup> “History of Nigeria,” <http://www.historyworld.net/wrldhis/PlainTextHistories.asp?historyid=ad41#ixzz1Q08dkQms> (accessed 22 June 2011); “Early States Before 1500,” <http://countrystudies.us/nigeria/5.htm>

<sup>17</sup> “Ijebu-Ode,” *Encyclopaedia Britannica Online*, <http://www.britannica.com/EBchecked/topic/282512/Ijebu-Ode> (accessed 22 June 2011).

the politics of the Yoruba kingdoms. During the nineteenth century, the Ijebu benefited from the shift in the Atlantic trade to Lagos acting as intermediaries on the trade route between the coast and the interior, particularly with the control of Ikorodu, the shortest route to the Lagos port. As legitimate trade replaced slave trade along the coasts, the kingdom became a collecting point for cocoa and palm oil and kernels brought from the hinterland to Lagos from where it was then exported to Europe. In the Benin Kingdom and some of the states in the Yoruba hinterland, trade with the Europeans was strictly a state monopoly, which was conducted by the issuance of a royal licence to traders and merchants specifically appointed by the king.<sup>18</sup>

Adebayo Lawal observed in his work, "The Economy and the State from Pre-Colonial Times to the Present," the extensive long-distance trading relations that characterised the Nigerian area up to the nineteenth century, particularly in response to the development of legitimate trade prior to the colonisation of the area and the subsequent integration of its economy into the western economic model. He argued:

"By the nineteenth century, trading and commercial activities were promoted in towns and cities that sprang up... These included Lagos, Kano, Ilorin, Ibadan, Benin, Sokoto, Yola, Oshogbo, Calabar, Zaria, Abeokuta, Bida and Kukawa... These market towns were linked by various trade routes that crisscrossed the whole of the Nigerian area. Even the various rivers and creeks served as waterways for riverine traders who transported fish, shells and European goods to the mainland consumers from whom they bought food crops. In the savannah area, camel caravans plied the various routes from the north to the middle belt area. The Niger and Benue Rivers were used by traders from various parts of the country for distribution of merchandise by long distance traders. The Niger-Benue confluence was particularly connected by a network of routes that facilitated the movement of traders,

such as the Yoruba, Hausa, Nupe, Kanda, Igbira, Bini, Igara, Tiv, Idoma, Junkun and Igbo, who developed some means of effective communication that promoted multilateral relations and facilitated exchange of goods and services".<sup>19</sup>

From the foregoing description of trade and trading across frontiers in pre-colonial Nigeria, it is evident that extensive trading activities occurred across the frontiers of states and regions in the area within the framework of the traditional economy. Trade relations were multilateral in nature and not constrained or moderated by any global rule neither were there any supranational institutions that acted as trade umpire. Trade rules usually developed out of a state's economic interest or strategy intended towards profiting from trade carried on within or across its frontiers. Moreover, trade were carried out without any form of trade policy because long-distance trade developed as a natural consequence of regional specialisation arising from the complimentary and dependent nature of the environment. Very evident, also, is the fact that international trade in the context of long-distance trade was not carried on in ways that negatively affected existing industry; rather it engendered the development of new industries to meet specific needs.

Clearly, the economic relations among the trading state, kingdoms and empires of the Nigerian area, West Africa and the North Africa was a relation among equal economies as there were no obvious wide gap in the level of development. All the trading economies were primary producing and their productive base was sufficient to sustain the extensive long-distance trade system. Moreover, as a result of the growing profitability of the long-distance trade and its capacity to engender wealth for the state, the economies of the people of the Nigerian area became increasingly commerce-oriented and characterised by a high degree of trade openness<sup>20</sup>.

<sup>19</sup> Lawal, "The Economy and the State," 183 – 184.

<sup>20</sup> Trade openness in this context refers to the sum total of the volume of goods and services exchanged as imports and exports among the people and across the regions. The term should not be misconstrued as free trade, which presupposes removal of all forms

<sup>18</sup> J. S. Eades, *The Yoruba Today* (London: Cambridge University Press, 1980)

Essentially, the distortion of inter-regional trade arrangement and the structure of pre-colonial Nigerian economy began with the gradual penetration of Europeans into the hinterland to effect direct purchase of palm produce from producers after the abolition of slave trade. Consequently, it could be safely concluded that the effective colonisation of the Nigerian area in the late nineteenth century inevitably culminated in the transformation and integration of its pre-colonial economy into the western capitalist economic system, which by design supported the exploitation of resources of the area for the benefit of the industrial economies. Imperial Britain, the foremost industrial economy in the emergent western capitalist economic system, masterminded the deliberate integration of the Nigerian economy into a global arrangement of opposite and complementary system – a bias, lopsided division of labour between the developed and the underdeveloped – as a dependent to profit her growing industrial economy at the expense of Nigeria's primary producing economy.

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of restrictions or barriers to trade. Essentially, trade openness is defined as the sum of exports and imports in relation to gross domestic product (GDP). During this period, the profitability of the long-distance trade motivated production for market at an increasing rate because there appeared to be commensurate returns on labour. Consequently, increased production for market resulted in increased volume of trade.