

British Colonial Post-War Fiscal Policies in Benin, Nigeria: 1945–1960

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Abstract

This paper focuses on post-war fiscal and economic policies in colonial Benin between 1945 and 1960. It was the period of British economic reconstruction occasioned by the effect of the Second World War. The paper therefore examines the impact of the post-war fiscal reforms on tax and expenditure patterns of the British authorities in Benin. It gives a robust analysis, as a background, of the goal and effect of the British economic reforms in her colonies. The study argues that the main objective of the British was to promote fiscal policies in order to revamp the metropolitan economy battered by the Second World War. Thus, at the Benin protectorate or division, the tax assessment rate was relatively high compared to

the level of income paid by the colonial authorities, in order to create surplus for expenditure. This created discontents and petitions from different local communities against the assessment rate. The paper shows that the expenditure level, especially on social services, was low compared to the tax revenue generated. It adopts the historical method of research which utilised data obtained from both primary and secondary sources for interpretation and analysis. It's on aspects of the Benin Division in Benin Province, created in 1914, as one of the administrative divisions, by the British which comprises of the Benin speaking people of southern Nigeria. It subsequently became part of the Western Region in 1945 following the constitution of regional government in Nigeria.

Introduction

The British metropolitan government adopted a policy of minimal intervention in the economic management of her colonies prior to the Second World War. This implied that Benin, which had been under the British colonial rule since 1897¹, was largely responsible for her financial sustenance even in the face of bureaucratic organisations and basic infrastructural development requirements. The precarious financial situation of the division limited it from engaging in basic infrastructural projects. However, the War exposed the inadequacy of this policy as it limited the division's efforts in responding to the war-time need of its mother state. This probably compelled Britain to reform the policy towards providing development needs to her West African colonies in general, including Benin. While justifying the policy, the British government (authorities) argued that it was structured in line with the principle of trusteeship which required that she held her colonies in trust for the native inhabitants, and had the main responsibility of training them for self-government. This position was well-articulated by the Colonial Secretary, Arthur Creech Jones, in a Local Government Dispatch of 1947:

'[T]he principal object of the administration being the welfare, education and development of those inhabitants...a primary object of the administration should always be to train the native inhabitants in every possible way, so that they may be able in the shortest possible time to govern themselves...The test of our policy should not be British advantage, but the happiness, prosperity and freedom of the colonial people themselves.' (Ola, 1984)

This implies that colonial subjects' (citizens) consideration were uppermost in the reform policies of the British government. It aimed at providing not only social and educational institutions as preparatory for future governmental responsibilities, but also the economic development of colonies for the general wellbeing of the citizens. Therefore, post-war reforms were viewed as British generosity towards promoting economic advancement and civilizing mission in the colonies. This is, however, invalidated by the fact that the reforms wrought in changes that were not conducive to the rapid positive growth

and development (Afolabi, 2010). Rather, the British deviously used fiscal policies to exploit the citizens massively.

In addition, some scholars largely of African descent (Crowder, 1968; Phillips, 1989; Ajayi, 1969), and members of the conservative party in Britain have countered this position of the Secretary (Nwaubani, 1992). They argued that the post-war colonial economic policy was aimed at exploiting the colonies in the interest of the metropolis. They justified their position that the British economy was severely weakened by her involvement in the Second World War with detrimental loss of capital to the tune of £300 million and accumulated debt burden of about £3,000,000 million (ibid: 102).

Beyond that, however, certain factors highly justified the view that the post-war reforms skewed towards the interest of the British economy. For example, Britain sold a large chunk of her overseas assets worth about £1,000,000 million as a consequence of the War. Perhaps, the most disastrous effect of the War came in the form of the huge decline in British exports as she lost control of valuable territories including Malaya and Sumatra in the Far East (Njoku, 1987). Consequently, by 1945, British exports were at only 40 percent of her pre-war level (ibid.) and the country lost its position to the United States of America as the most powerful nation and biggest economy in the world. It was to remedy this precarious situation that Britain turned to her colonies for economic relief and greater trade relations as a catalyst for increased exports above the 1938 level. It clearly became, according to L.S. Amery, the Parliamentary Under-Secretary of State for the Colonies:

'[t]he duty of the Government to use all means in its power to direct the monies available for investment into channels where they will create a demand for British goods and employment for British labour, and it is to the opportunities which the Empire affords of fulfilling that duty that I am drawing attention.' (Malmsten, 1977)

This appears to be the main objective of Britain in her colonies, as the nation embarked on policies that would generate both resources and revenue for

investment in the crown with the view of boosting her trade, investment, and employment opportunities which had experienced a downward trend. Reforms in colonies were therefore initiated to propel the metropolitan economy towards this goal. While this is in line with the thesis of this paper, it does not however imply that nothing was gained by indigenous terrain, though they were by-products of activities intended to promote the metropolitan interests (Kaniki, 1987). While examining the implications of the British economic reforms for Nigeria, Dupe Olatunbosun avers that:

'[A]fter the Second World War the colonial government realized that only by interfering in the organization of primary and other activities could it remedy the acute shortage of export crops badly needed by its home markets. Besides, all of Western Europe needed planning.' (quoted in Ihonvbere and Falola, 1987)

The war drained the resources of Britain and became manifest in the post-war times. Having lost some of its sources of supply of primary products such as rubber and palm oil in Asia during the war, she had to embark on reforms in order to boost production of these products in territories still under her control in the post-war times. Hence as parts of the interference policy, persuasion and aggressive campaigns were adopted by respective colonial officials towards rapid production of primary products (agricultural products and minerals) for export, while stringent restrictions were imposed on imports from the metropolis (Faluyi, 2005).

Similarly, Ernest Bevin, the Secretary of State for Foreign Affairs, in his address to the Trade Union Congress in 1947 observed that, 'we have within this Commonwealth (the colonial empire) both the primary products and resources which have been badly neglected. We have (now) turned our attention to the colonial territories' (Nwaubani, 1992) toward improving trade and expanding agricultural raw-material production for the metropolitan interest. This was reiterated by Mr. C. J. Pleas, the Colonial Development Secretary of Nigeria thus:

'[t]here will undoubtedly be benefits to Great Britain from the expenditure on Nigerian development, if more people are in better health,

if the land itself is in better health; if the means of transport are improved, the primary products of Nigeria will flow to the markets of Great Britain in greater volume and the Nigerian worker will have more money to buy the products of Great Britain's industry.' (Nwaubani, 1992: 100)

This clearly illustrates the benefits that could accrue to Britain from its economic reforms specifically in Nigeria as a whole. The British colonial fiscal policies and investment specifically in the health and transport sectors of the economy would have a more positive impact on the metropolis. A healthy labour force would result in increased productivity of raw materials, while transport infrastructure in the forms of roads and railways would facilitate the exploitation of produce or raw materials to the port for onward transportation to the metropolis for productive investment.

Suffice to state that this is a micro study that has not received much research attention in Nigeria's historiography. However, enough works exist on the colonial tax system which have adopted a macro-level approach (Bolt and Gardner, 2020; Gardner, 2012; Dekker, 2020), thereby limiting our understanding of the reforms in colonial tax policies and implementation on the micro economy such as Benin. The structure of the tax systems and the amount of revenue they generated has become important for comparing and measuring the level of

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investment in Benin. Ewout Frankema and Marlous Waijenburg contend that British fiscal policy and implementation promoted the wellbeing of colonial subjects because the biggest items on colonial government budget were on salaries and funds for building railways (Frankema and Waijenburg, 2014). These were salaries of urban European officials which were repatriated or out flown and development of railways for the exploitation of produce, both of which were consequently invested with the metropolis. Also, R.I. Garvin and W. Oyemakinde, and M. Havinden and D. Meredith take a general overview of the British fiscal reforms and implementation in the pre and post Second World War periods and argue that it promoted economic development and wellbeing of citizens (Gavin and Oyemakinde, 1980; Havinden and Meredith, 1993). Thus, contrary to the scholarly arguments that Britain reformed the tax system because it had the welfare of citizens at heart, this current study argues that the main objective of the British was to promote fiscal policies in order to revamp the metropolitan economy battered by the Second World War.

British Post-War Tax Policies in Benin

The aftermath of the War witnessed revolutionary reforms in the Benin divisional tax system. The colonial development scheme of 1945, which increased the demand for domestic revenue, the need to maintain a balance budget so as to control inflation as a result of the rubber and timber boom in Benin immediately after the war² and the need to fund the reorganised Native administration introduced in 1948³, necessitated the upward review of taxes and fees in Benin Division. The colonial authorities assumed that since the review was based on the ability to pay, resistance would be unlikely from the targeted tax payers. In light of the above, the colonial authorities increased taxes, court fees, license fees and rates in 1945/46 and 1948/49. For instance, available evidence suggests that the Flat Rate was raised from 8/- to 9/- in 1945/46, while the Income Tax rates were correspondingly increased by 12½ percent.⁴ Also, there was a conversion of many Flat Rate payers to Income Tax payers which consequently increased from less than 2,000 to nearly 6,000 (ibid.) especially in villages, without consultation with the local tax assessment committee members (Edo, 2001). In 1948/49, the Flat Rate was further increased from 9/- to 10/-⁵ making it the second of such increases within a short period of three years.⁶

Many taxpayers questioned the basis of assessment since the tax assessors did not collect enough information about their income. They (taxpayers) complained of being over-assessed by the Tax Office as their net income did not match their rate of assessment. For instance, in a petition to the District Officer, one Aluyi Osakwe complained that before 1947, his tax ranged from 10/- and 15/- but in 1948, his tax rose to £1:3:6. Again in 1949, his tax was increased to £1:12:6 by the Tax Office and in 1950, the same establishment assessed him at £3:2:6.⁷ He complained that these increments occurred without any proportionate increase in his level of earnings. It was also accused of indiscriminately assessing the non-natives in the Division whose income tax increased by over 300 percent (ibid.), which was much higher than their indigenous counterparts. Thus, that all these increments were made without any consideration of the actual income of the people, or recourse to the local Tax committee members, was nauseating. However, while explaining the motive behind the arbitrary assessment, the Chief Tax Officer simply made it clear that 'the Governor (of Nigeria) had ruled that there should be an increase in taxation'.⁸ Hence the Tax Chief arbitrarily increased the assessment rate in order to generate more revenue for the administration.

For all intents and purposes, it appears that the people were assessed based on the potential wealth of the respective communities and the proposed expenditure of the administration. This implies that the people were expected to improve their production level in order to pay the exorbitant taxes. This appeared to be the notion of the British Resident, Benin Division in 1950 when he sums that:

'So long as direct taxation remains one of the principle sources of Native Administration revenue, the incident of taxation must be determined not only by the wealth of the area concerned but by the quality and cost of the services maintained for the benefit of that area by the Native Authority, and will vary in accordance with these two factors.'⁹

Taxation was imposed without recourse to the people's ability to pay or actual earnings. It was based on the potential resources of the area, as assessed by the authorities, and the cost of the native administration's

governance (unknown to the citizens). The main resources of the division were agricultural and forest products largely made up of rubber and timber. While rubber was tapped by local peasants, timber was exploited by British timber merchants who were granted concessionary rights. So, taxing the people based on these resources (wealth), which in most cases was beyond their exploitation, heaped the tax burden on the peasant populace. The British authorities were very unwilling to commit any monies to local administration from the metropolis despite the much-propagated post war economic reforms for the purpose of advancing local development. Consequently, the people accused the authorities of imposing all their taxes before attempting to explain the advantages (Odeke, 2018). Beyond that, there appeared the problem of 'political victimisation' in the assessment of tax by the Tax Office. This was particularly evident in the tax assessment of Olumoye village¹⁰ where members of the Otuedo Union¹¹ were assessed higher than associates of the Benin Taxpayers Association/ Reformed Ogboni Fraternity.¹² This demonstrated the divide and rule policy of colonial taxation in Benin.

Invariably, the high tax rate was expected to induce the people to engage in the colonial economy, and therefore, generate more revenue by driving productivity. Also, it was expected to promote industry and drive full employment in the division. But in reality, there were no genuine attempts at instituting structural reforms in the economy. Colonial authorities were indifferent to the factors that could promote economic growth and sustained revenue generation such as industrialisation and manpower development. This stemmed from the fact that the level of extraction or revenue from taxation far outweighed the resources invested in the division.¹³ This situation was bound to cause severe hardship on the people who complained that the tax rate was increased at a time when the prices of food produce were on the rise and consequently lodged several petitions against the Tax Chief. Yet, the authority rather commended the Tax Chief for his arbitrariness in tax assessment and collection. This elicited petitions from the division, as for example, evidence obtained from the report of the Igbanke District Council where the people complained that:

'[T]he Chief Commissioner Western Province congratulated him (the Chief Tax Clerk) for the efforts made last year to achieve the erroneous

assessment which swelled up the Benin Native Administration (B.N.A.) revenue and thus he resolved to act more erroneously this year in the endeavour to win more praises at the expense of the poverty ridden natives.'¹⁴

The Chief Tax Clerk was responsible for enforcing (based on the directive of the colonial authorities) the arbitrary assessment and taxation that was prevalent in the division. Though he was one of the locals (citizens), yet earned his position due to his commitment and loyalty to serve the authorities, and not his people with which he had traditional affinity. Hence, he was congratulated by the Chief Commissioner for his effort which manifested in revenue boost to the authorities even in the face of the obvious low standard of living of the people. Consequently, they viewed the arbitrary tax system as expression of the authority of the Chief Tax Clerk, a creation of the colonial authorities, to increase their exploitation tendency in the division which is in line with the argument of this paper. Thus, it was therefore inevitable that tax revenue moved from £15,077 in 1948/49 to £34,000 in 1949/50¹⁵ which amounted to about 120 percent increase in tax revenue. Again, in 1950/51, the total tax collected was £37,321 from an initial £31,007 (ibid.) This increase was largely due to the sales of tickets during the election period as tax receipt was a necessary requirement for voting at the 1951 polls. Consequently, the Tax Office was empowered by the British to increase the rate of assessment in order to fund the expanded budget of the administration, while the Chief Tax Clerk was merely an instrument used by the British to execute their fiscal policy in the division.

Consequently, Mr. H.O. Uwaifo, the Chief Tax Clerk, enjoyed the confidence of the colonial officials until members of the Otuedo Union organised protests against the native administration over the excessive taxes. This compelled the British to take immediate steps to avert a political crisis in the division, which only pacified the people temporarily and created an enabling environment for the collection of taxes. First, Mr. Uwaifo was dismissed from the services of the Native Administration in 1952, while the British also abolished the rule which made it compulsory for anyone dissatisfied with his tax to first make payment before appealing to the tribunal. In its place, the British authorities introduced a down payment of 10/- as initial deposit.¹⁶ Also, the Tax Office was mandated

to ensure proper assessment of Income Tax with a close supervision of the Tax Assessment Committees. In addition, the Tax Office was directed to increase the number of Income Taxpayers from its current level of 24 to 50 percent with the aim of generating more revenue from the middle- and higher-income earners. The authority was of the opinion that the increase in the minimum wage from 1/3d to 1/5d per day justified the inclusion of more people in the Income Tax roll. Furthermore, a compulsory 5/- Education Rate was introduced in the division, in line with the commitment of the Western Regional government, to provide qualitative education for the people.

Finally, the flat-rate was increased from 10/- to 12/- which again, undoubtedly, increased the tax burden of the people. To ensure total compliance to the payments the colonial authority issued a single receipt for both the education rate and the income or flat-rate taxes which made it difficult to evade any.¹⁷ It was therefore not surprising that the administration recorded a 40 percent increase in tax revenue over the previous year's collection.¹⁸ The table below gives a comprehensive record for the tax returns in 1950.¹⁹

	1950/51	1951/52	1952/53
Total Tax	£31,008	£32,898	£45,531
Income Tax	15,680	16,383	27,512
Flat Rate Tax	15,928	16,515	18,019
Total No. of Taxpayers	42,440	43,519	48,294
Proportion of Income Tax Payers	25%	24%	38%

This clearly shows the progressive increase in tax revenue during the period. This implies that the increase in assessment rate and the number of income taxpayers significantly improved tax generation in the division. However, reforms did not reduce the burden of tax, but rather caused undue hardship on the people. Many complained that the tax increase came at a time when the prices of rubber and timber had fallen considerably²⁰ with the attendant temporary retrenchment in the timber industry. The people's frustration was aptly captured by the annual report of one of the District Councils that, 'this council does not

in any way agree with (the) circular letter that 50% of all taxable adults should pay Income Tax. That over 90% of the villagers are poor and that less than 10% only are recommended for Income Tax.²¹ The imposition of income tax on the lower strata of the society called to question the responsibility and convenience of the colonial taxation in Benin.

Perhaps this became visibly demonstrated with the imposition of a uniform system of tax in 1953. Consequently, the flat-rate was abolished while all taxable adults were migrated into the Income Tax Roll without uniform assessment. For example, although the assessed rate was also increased such that every taxable adult in good health paid a minimum of 27/- (including education rate) as tax,²² yet anyone appearing to have a status above that of a labourer was assessed above the minimum rate. For most of the former flat rate payers, therefore, there were consequential increases in tax from 10/- in 1951/52 to 17/- in 1952/53 and above 27/- in 1953/54. This astronomical increase was enforced without any detailed assessment of the actual tax capacity of the people, rather than the mere arguments that the low-income group constituted the largest proportion of taxpayers, and also, that every taxpayer had the capacity to pay the new rate. The authorities attempted strenuously to justify the migration of all adult tax payers to the Income Tax Roll without proper assessment. In a statement through the district officer, it explained glowingly the advantage of the policy that:

'During the past year (1952/53), 58% of the taxpayers paid Flat Rate. Compared with the schedule 11 rates of Income Tax, a flat rate payment of 15/- represented an income of only £30, whereas it is generally accepted that government or Native Administration general labour, which earns more £33 in a year is the lowest income group. If these and other persons in the slightly higher income groups were all made liable to assessment for income tax (which the very existence of a Flat Rate suggest that they are not) a considerable increase in revenue would result. It is the existence of this Flat Rate which is the principle difficulty in bringing people in the lower income groups onto Schedule 11.'²³

The desire to realise increase revenue from taxes influenced the introduction of the income tax in the

division. Unlike the flat rate, which levied uniform payment, the income tax purportedly introduced proportional tax according to income. It eliminated incidence of tax evasion or under assessment which was observed in the flat rate. However, the mode of assessment was skewed to favour the authorities which assumed that every 'adult in good health'²⁴ in the division was an income earner, whether employed or not, and enrolled into income pay roll. Although the new tax was proportional according to income (as explained by the authorities), but the fact that the minimum tax paid was 27/- makes its burden more on the low income group and peasant farmers who at times realised low yield of produce from their farms, hence the resentment from this group to its mode of assessment. Hitherto, the focus was to assess the middle- and high-income earners progressively in order to augment the flat-rate paid by the low-income group. But henceforth, the authority increased the tax burden of every income group in the society.

However, it is important to point out that the majority of the taxpayers were engaged in cash crop production whose prices fluctuated according to the vagaries in the international market. This created a huge instability in their income, while labourers employed by indigenous contractors were paid below the minimum wage in the division. Also, a number of taxpayers were without formal employment but took odd jobs such as petty trading just to make ends meet. Consequently, the burden of the new tax policy was obvious, as illustrated by Isi District Council:

'It is a matter of policy that we people of Isi pay Income Tax because a man of taxable Income can be easily known. Not more than 40 people of Isi would be taxable. The wretched thatched houses and very poor clothing, inability to educate our children, and poor farm harvest are enough to prove our poverty. We are asking the officers to arrange a Commission of Enquiry to investigate our situation.'²⁵

The people aligned to and accepted the payment of tax not only as obligation to the colonial government, but also as a means of identification as citizens of the district. However, they argued validly that the income tax policy should take into consideration in assessment their economic activities, farm harvest, and the standard of living of people in determining

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appropriate tax to be paid by the district. In other words, they called for proper tax assessment based on actual income and responsibilities of the taxable adults, instead of the estimated income tax placed on the district. This was the lamentation of the people of the district whose men who could not afford the tax. These people were sometimes bounded into prison while many abandoned their homes into the farms and forest to escape arrest by the authorities (Odeke, 2018: 11).

In order to actualise optimum taxation, the authority established Area Tax Units in each of the twelve wards of Benin City and in the twenty-one districts of the division. These units comprised the Assessment Committees, the Tax Collectors and the Area Tax Clerks, whose duties were performed by the various districts court clerks.²⁶ This decentralised the tax process by creating Local Income Tax Appeal Committees (as tax tribunal) to facilitate tax collection and to ensure swift resolution of petitions arising from taxes. As a form of incentive to this tribunal, a fee of 2/6d per day was approved for its members.²⁷ The authority also commenced the payment of sitting allowance to members of the District Income Tax Committee beginning from the 1952/53 financial year. The cumulative effect of all these was a rapid increase in tax revenue to £80,229.4²⁸ in the 1955/56 financial year, which was about 60 percent increase compared to 1952/53. However, this increase came at a huge cost to the people. Many were assessed based

on perceived earnings rather than actual income. For instance, a certain T.I. Imasogie was assessed at £9.13.9d in 1953/54. When he challenged this sum by submitting his financial records, the resident replied that he thought Mr. Imasogie 'would make £300 per annum from timber trade.'²⁹ He also asserted that the appellant would realise £60 from his premises as rent without checking the receipts to know the actual or exact amount the tenants paid (ibid.)

There was another instance where two persons, Degbeyi Gaza and Usiaghan Eze from Ekenwan District, complained about their assessment. When the Assistant District Officer visited the area and saw their houses, he nullified the case on the ground that they (the complainants) had enough money to pay. In his exact words, 'I have seen two of the houses of these people. I am satisfied they have more income than palm wine and should pay the tax.'³⁰ Beyond this, there were cases of assessment based on gross earnings rather than net income. This caused a lot of hardship for business owners as the lion share of their total income went into the payment of tax. Some even had the added responsibility of paying for the services of office assistants, which further increased their running costs. This is obnoxious and adversely affected small-scale enterprises in the division which some resorted to, for economic earnings in the absence of profitable employment. The consequent economic hardship that citizens experienced during the close of the year 1952 was captured in the annual report which expressed the precarious unemployment thus:

'Economically the close of the year (1952) has seen a decline in profits formerly realized from rubber and timber. This is always a dangerous time, when men are thrown out of profitable employment and forced to look for less well-paid jobs (e.g., small businesses). Some, as has been reported, are taking to crime. Others are spending their money and are putting off the evil day of going to work again. Most officers, however, see a silver lining to the cloud.'³¹

The period was not pleasant to people of the division with rubber and timber as the main sources of their income, as the prices of these commodities fluctuated according to the vagaries of the international market. The slump in the international market for rubber and timber in the 1950s adversely affected the industries in

Benin, as producers faced a decrease in prices for their respective products, and therefore found it difficult to maintain their level of employment. Consequently, rubber producers and timber merchants were compelled by the prevailing economic reality to reduce the workforce, which led to a high rate of unemployment with the consequential effect on crime rate experienced in the division. The situation, no doubt, was hard enough but the insistence by the authorities on the payment of inappropriately assessed tax, without rebate or reduction in the face of the economic down-tone in the society, made it even harder and constituted a further expression of insensitive fiscal policies in the face of the plight of citizens.

Furthermore, an evaluation of the complaints forwarded to the Income Tax Committees indicates that the assessment rate was relatively high compared to the people's income. This position was reiterated by a taxpayer who remarked that, 'it is no fairness in asking a person who earned about twenty-four pounds a year with families to maintain and other personal unavoidable expenses to attend, to pay an Income Tax of ten or more pounds.'³² The situation compelled many taxpayers to borrow money or sell their valuables in order to pay taxes. There is also evidence that several non-natives returned back to their ancestral homes in order to escape the high tax rate in the division.³³ It must be added that the colonial authorities explored all possible avenues to expand the revenue base of the division. In certain cases, they resorted to unlawful means. For instance, boys below the legal age of sixteen as well as the aged, weak and infirmed were compelled to pay taxes. There were also cases of visitors to village communities who were induced to pay Income Tax. All these demonstrate the determination of the colonial authorities to exact wealth from the division.

Post-War Colonial Expenditure Pattern in Benin

The main thrust of the post-war fiscal policy was to improve the economic potentials of colonies in order to facilitate economic interest of the metropolis. This made it necessary to expand the budget to promoting economic growth and diversification. In the division, the expenditure estimated was usually divided into three main categories: Administration, Special Expenditure, and Miscellaneous.³⁴ The items

under administration included staff salary and office stationeries, while physical infrastructure and educational development were prominent in the other two categories. However, in terms of budgetary allocation, the division's example clearly demonstrates that physical infrastructure (roads and bridge construction) and administration consumed the lion share of the budget.³⁵ This was done to effectively enforce colonial policies and also to eliminate most of the impediments to exploitation of the agricultural and forest resources in the division.

For instance, before 1945, about 291 mileages of roads were constructed and maintained by the Public Works Department of the authorities³⁶, while in 1953/54, the mileage of roads maintained was approximately 85 in Benin City and 370 in the various districts. A further breakdown shows that this accounted for a total cost of £9,994.5.11d³⁷ with the figure increasing to £10,844.3.27d in 1955/56.³⁸ The administration opened economically strategic roads outside Benin City such as the Ekiadolor-Enah, Ekiadolor-Olumeye, Ekiadolor-Uhen, Benin-Ikpe-Sakponba roads and the Gelegele port road embankments (Shokpeka, 2008). Yet, progress on road maintenance in the division 'was very disappointing due to the fact that qualified staff were not available for the adequate maintenance of mechanical plants' (road repairing appliances).³⁹ This challenge lingered for long as the administration were unwilling to commit resources into training of skilled manpower for supervisory work in road maintenance. So, the standard of road maintenance remained abysmally poor and attracted criticism in the division.⁴⁰

The expenditure on administration consistently appeared second highest to physical infrastructure in the division. Some of the major items under administration included salaries, cost of transport of officers, and general upkeep of government lodge and grounds which included gardeners' wages. For example, in 1955/56, the total expenditure on administration was £3,195 out of which £2,150⁴¹ was expended on the welfare of colonial officers. This included the cost of transport both within and outside Nigeria of officers proceeding on or returning from Annual Leave outside West Africa, and the maintenances of their rest houses within the division, which were charged to the divisional expenditure. This was the colonial situation in Benin where the

wretched peasant farmers and other citizens were inflicted with heavy tax to take care of the welfare of the British officers and for the ultimate benefit of the crown.

Another major initiative was the Compulsory Education Scheme of 1954. This scheme introduced tuition free education at the primary school level which significantly increased enrolment and facilities in public primary schools.⁴² Consequently, considerable efforts were equally made to expand the educational facilities in the division to meet this expanded enrolment of pupils in primary schools. Thus, native administration schools increased from three in 1939 to twelve in 1948 and by 1955, this number rose to 148.⁴³ This scheme was executed with the active participation of the Western Regional Government in conjunction with the local revenue from the education rate.⁴⁴

However, it can be argued that the social services provided during this period were too restricted to have a significant impact on the people. Apart from the provision of basic education and the attendant effect of reading and writing, most of the projects executed during the period were geared towards promoting colonial interest. Even the Colonial Development and Welfare Scheme did little to change this position. For instance, in 1950, grants were allocated to six priority sectors, including primary education, transportation, research, town planning, and water supply. None of these projects was capable of revolutionising the economy of the area or drastically improving the standard of living of the people. At best, the primary education was to produce record keepers for the colonial authorities, while endeavours in research and transportation, on the other hand, respectively improved the quality of raw materials (e.g., rubber) produced and facilitated their freightage to England. There were no deliberate attempts by the authorities to invest capital in productive research that would stimulate the industrial base of the division (Nwaubani, 1992: 107).

Furthermore, the amount of capital invested in the division was inadequate to meet the developmental needs of the people, as evidenced from the quality of services provided. For instance, in 1953, out of the total 762 teachers in the division, only 189 were trained.⁴⁵ This means that only 25 percent of the teachers in the

division were qualified and this affected the quality of school leavers. Moreover, the administration did not establish enough secondary schools to cater for the large number of primary school leavers in the area. As at 1954, the ratio of secondary to primary schools in the division was 1: 235 (ibid.) This is hardly surprising since the focus of the colonial authorities was to churn out semi-skilled manpower who could perform basic administrative functions in the colonial services.

The situation was not so different in the agricultural sector where the colonial authorities failed to make appreciable investment that improved the production techniques of the peasants. Hence Walter Rodney argued, while referring to a common trend in colonial Africa, that:

[T]he most decisive failure of colonialism...was its failure to change the technology of agricultural production. The most convincing evidence as to the superficiality of the talk about colonialism having 'modernised' Africa is the fact that the vast majority of Africans went into colonialism with hoe and came out with a hoe. Some capitalist plantations introduced agricultural machinery, and the odd tractors found its way into the hands of African farmers; but the hoe remained the overwhelmingly dominant agricultural implement.' (Rodney, 1972: 239)

Colonialism did not bring about the much-desired technological revolution in the agricultural sector of the economy. Much of the resources (or raw materials) exploited were from agricultural products, and throughout the periods of British rule nothing was done to advance the technology on agriculture, even to its own advantage of exploiting adequate yield from produce. No financial commitment was made for studies and research in agriculture, hence—at the demise of colonial rule—the same methods of soil cultivation and implements remained. However, this cannot be taken to be a general assessment of colonialism. Though it did not advance the technological aspects of the colonies, it laid the framework for modern fiscal policies and provided the English model educational system that had the potentials for propelling technological advancement.

Beyond the imperial interest of the metropolis, the internal local politics equally influenced colonial

“ Colonialism did not bring about the much-desired technological revolution in the agricultural sector of the economy. Much of the resources (or raw materials) exploited were from agricultural products, and throughout the periods of British rule nothing was done to advance the technology on agriculture, even to its own advantage of exploiting adequate yield from produce. ”

fiscal policies. For example, the skewed budgetary allocation and development grants in favour of the Yoruba-speaking divisions in the Western Region constrained capital development in Benin division. This meant that the Yoruba-speaking communities received more funds than the Edo-speaking area.⁴⁶ This partly accounted for the slow pace of public works and the absence of financial provision for electricity. This situation was further worsened in 1955 with the introduction of elected councils. This increased the recurrent cost of the administration as more persons were incorporated in the (local) government. The implication of this was that less resources were available for social projects. In addition, the local and regional assemblies were denied fiscal responsibilities over public revenue and expenditure. As such, proposals were subject to the final approval of the Governor.⁴⁷ Therefore, socio-politically and economically, there was little development to justify the exorbitant taxes imposed and exerted in the division. The standard of living of the people was not improved, nor were basic amenities provided to the villagers. This point was emphasised by the divisional adviser, Benin Division succinctly:

'Due to the financial position the councils in this Division have barely kept the existing services going and in Benin City have not been able to do that... In the financial year 1956-57, the only capital works carried out by all the councils are two offices at 2 District Council Headquarters and

several dispensaries and maternity centres which are grant-assisted. Meantime the standard of road maintenance and building maintenance has fallen.⁴⁸

The level of development is not comparable to the rate of extortion and exploitation. Thus save for Benin City, the headquarter of the division, most rural villages including Isi, Abudu, Ekenwan, Urhonigbe, Ugbine, Egbatan, Iguobazuwa, Siluko, Odighi, Usen, among others, fell short of the impact of colonial fiscal policy and implementation as there existed no pipe borne water, electricity, health care facility (dispensary), or schools. Rather, what appeared as the only sign of the colonial authorities' presence was the native courts where tax defaulters or evaders were tried and sentenced accordingly (Ikponmwoşa and Evbayiro, 2017: 160–161).

The tax system was not directed towards income redistribution but to actualise colonial interest. It will therefore be out of place to describe British colonial taxation as progressive and development oriented. As Abraham Thomas puts it, 'development is about people—the mental state of the people, the economic, social and institutional activities and arrangements, the people are capable of and put in place to enhance and sustain a better life in a given society and epoch' (2011: 15). As long as the tax regime did not significantly improve the lives of the people, it cannot be said to have been development oriented.

Conclusion

The economic consequences of the Second World War compelled Britain to review her economic policies towards her colonies. The objective was to make the colonies optimum and more efficient in the production of raw materials that could aid in resuscitating the ravaged metropolitan economy. This led to the introduction of the Colonial Development and Welfare schemes which earmarked revenue for socio-economic infrastructure that promoted economic development in the division and at the same time responded to colonial economic objectives. Consequently, the colonial authorities were compelled to increase taxes and fees in order to generate enough revenue to fund the expanded budget without any recourse to the wellbeing of the people and their ability to pay. This increased the burden of tax on

payers as the assessment rate was high compared to income. This elicited protests from local communities who expressed their wrath on the authorities for being insensitive to their economic plight. Equally disappointing is the unsatisfactory nature of colonial infrastructure as captured by annual reports on the division, especially on roads and education. Colonial roads were poorly maintained, narrow gage and mainly designed for the transportation of raw materials. Hence most of the roads were seasonal and hardly accessible during the rainy season. However, the interconnectivity of the colonial roads opened up the entire division, which was subsequently improved on by post-colonial governments in Benin. Colonial education, on the other hand, laid emphasis on elementary education with the objective of providing literate semi-skilled individuals required in colonial authorities as messengers and, at best, as book keepers. The system was not aimed at future social and economic advancement but for the immediate needs of the British. Services provided were inadequate to meet the developmental needs of the people of the division. Therefore, post-war economic and tax policies in Benin were geared towards economic exploitation rather than development.

Notes

1. This marked the beginning of British colonial rule in Benin after the military conquest and subjugation which subsequently led to the fall of Benin and its independence (Igbafe, 1979).
2. N.A.I. Benin Province 2, BP.41, Vol. x, Annual Report Benin Division, 1947–50, 1950.
3. This was the main organ of the indirect rule system responsible for the administration of the division and also the execution of public works but with the strict supervision of the colonial authorities. See Annual Report 1947: 21–32.
4. Thus, all male adults, who earned below 24/- were categorized under the Flat Rate schedule, while those who earned above that figure paid income tax. See, National Archives, Ibadan (hereafter refers to as N.I.A), BP. 41/Vol. ix, Annual Report, Benin Division 1946: 8.
5. NIA, CSO 26/2, File No.14617, Vol. xv, Annual Report, Benin Province, 1949: 15.
6. Annual Report, 1946: 8.

7. N.A.I. BD 713, Vol. ii, Direct Tax Collection, 1951–52, 1952.
8. N.A.I. BD. 713, Vol. i, Report on Tax Assessment by Mr. H.O. Uwaifo, 1950.
9. N.A.I. BD. 255, Vol. ii, Native Administration: Revenue and Taxation, 1950.
10. A village now in Ovia North East Local Government Area of Edo State where political affiliation influenced the assessment in taxes paid.
11. The Union claimed to represent the majority of the people in the division and were engaged in political agitations and commenting on petitions to the Native Administration allegedly dominated by members of the Reformed Ogoni. Chief Osagie, the Aighobahi of Benin, was a member and prominent in the agitation. Consequently, the Union members claimed to be over-assessed by the tax assessment officers because of the anti-Native Authority postures. See, N.A.I. BP.40/xv Annual Report, Benin Province 1952: 41; BP. 41, Vol. x Annual Report, Benin Division: 85.
12. N.A.I. BD. 713, Vol. ii, 1952. The Tax Payers Association was dominated by members of a private cult known as the 'Reformed Ogboni Fraternity' whose main objective was to promote the interests of its members.
13. See for example N.A.I., BD 1419, Vol. iv, Government Revenue and Expenditure Estimate, 1948/49, 49/50, 50/51, 1954: 68–429.
14. N.A.I. BD. 841, Vol.iii, Petition Re-Extraordinary Assessment Income Tax, 1950/51, 1951.
15. Mr. H.O. Uwaifo, Report on Tax Assessment.
16. N.A.I, BD.841, Vol. ii, Income Tax-Appeal against petitions, 1953–54, 1954.
17. N.A.I, BP.41/Vol. xiii, Annual Report Benin Division, 1953: 12.
18. Ibid: 11. No account being taken of the arrears of tax collected after the 31st of March.
19. NAI., BP.40, Vol. xiii, Annual Report, Benin Division, 1953.
20. NAI., BP. 40, Vol. xi, Annual Report, Benin Province, 1952: 36.
21. NAI., BD. 713, Annual Report, Benin Division, 1952.
22. Income Tax-Appeal against petitions, 1954.
23. NAI., BP. 2985, Vol. i, Tax Collection, Benin Division, 1953–54, 1953.
24. This was implemented without taking into consideration the adult's internal medical conditions which are not always obvious except through medical examination.
25. Petition Re-Extraordinary Assessment Income Tax, 1951.
26. N.A.I. BD. 255, Vol. iii: Resident, Benin Province to District Officer (DO), Benin Division, 7/7/1953.
27. Annual Report Benin Division, 1953.
28. N.A.I. BP. 1659, Vol. I, Annual Report, Benin Division 1956.
29. N.A.I. BD. 841, Vol. ii, 1954.
30. Income Tax-Appeal against petitions.
31. Annual Report, 1952: 54.
32. Annual Report, Benin Division, 1952.
33. This group was imposed ground and farm rent in addition to the excessive general tax levied by the authority which consequently forced some of them out of the division. See the petition titled: Reference to Mr. Moses Arise of Umuza Siluko Area, No. 138, Income Tax Assessment for 1950–51, 1950.
34. See, N.A.I. BD. 1419, Vol. iii, Government Revenue and Expenditure Estimates, 1953.
35. Government Revenue and Expenditure Estimate, 1948/49, 49/50, 50/51, 1954: 68–429.
36. NAI, BD. 16, Vol. ii, Roads, Benin Division: 33.
37. Annual Report Benin Division, 1953: 26.
38. Government Revenue and Expenditure Estimate, 1955/56.
39. N.A.I. BP. 40, Vol. vx, Annual Report, Benin Province, 1951: 41.
40. Annual Report, Benin Province, 1954: 16–17.
41. Government Revenue and Expenditure Estimate: 369 and 414.
42. The total number of schools in the division increased to 147 with 21 extensions to existing ones while student enrolment increased by about 48% from that of 1952 which stood at 79123 in public

schools. See Annual Report, 1954–55: 3.

43. Annual Report, 1948: 8.

44. This rate was increased from 5/- to 10/- in 1956. See N.A.I. BP. 1659, Vol. I, 1956: 5.

45. Annual Report, 1953: 26–53.

46. N.A.I. BP. 2 Annual Report, Benin Province, 1947: 13.

47. The administrative head of the region based in Ibadan, headquarter of the western region.

48. N.A.I. BP1659, Vol.1, 1956: 5.

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