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Bourgeois rationality in Nigeria

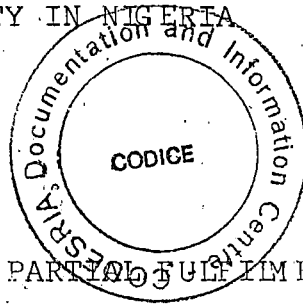
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BOURGEOIS RATIONALITY IN NIGERIA



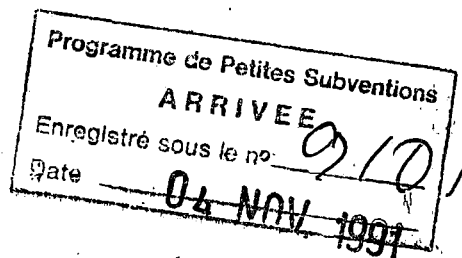
A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF
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CERTIFICATION

It is hereby certified that this dissertation has not been presented before and is not being concurrently submitted for any other degree. All consulted works and other sources of information have been fully acknowledged in the Notes and Bibliography.

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DEDICATION

I dedicate this work to
Alfred and Roseline Eke,
my parents.

ACKNOWLEDGEMENT

I cannot express my gratitude enough to my supervisor and source of inspiration, Professor Claude Ake. This work, from a mere idea to its actualisation benefitted tremendously from his masterly guidance. Indeed it could freely be said that the study was hatched and developed under his intellectual incubation. I still hope to prove a worthy scholar for that is the only way I wish to pay back.

My gratitude also goes to CODESRIA. This work enjoyed a small grant for thesis writing from them. My lecturers Dr. Godwin Nwabueze and Dr. Julius Ihonvbere, also deserve a mention. The former in particular thoroughly read the thesis, rescuing me from several errors. I thank also my parents, my sibblings Ibe, Keri, Adieme, Chuks, Isioma and Esor; and my friend Joan. In various subtle ways they made contributions which I will always cherish.

I also wish to thank Eze, my uncle, staff of NIIA Library, and many many more, with whom I share the joy and credit of this thesis. But I, alone, take responsibility for all its faults.

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ABSTRACT

Capitalism is inherently contradictory. There are the contradictions between particular capitals and social capital. For the system to thrive therefore contradictions have to be contained by bourgeois rationality which restrains particular capitals in the bid to preserve social capital. This done a capitalist country can then progress, sophisticating productive forces and improving the general well-being of society.

But none of these is happening in Nigeria, although it is capitalist. This is what has led to this inquiry into the character of its bourgeoisie. The finding is that bourgeois rationality is weak in Nigeria.

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CHAPTER ONE

INTRODUCTION

I. THE PROBLEM

Our main argument in this work is that bourgeois rationality is weak in Nigeria. This presupposes that we must first clarify the concept of bourgeois rationality itself. By this term we mean those necessary restraints that must be exercised by particular capitals in order that social capital can survive and expand. In other-words, bourgeois rationality refers to the collective discipline of the bourgeoisie to ensure the extended reproduction of social capital.

Once we realise that social capital exists as particular capitals we are already face to face with the contradictions that must exist between particular capitals and social capital in the quest of particular capitals for ever-increasing profit¹. For each, even by definition, acts selfishly: concerned with satisfying selfish interests to the detriment of the social. Bourgeois rationality thus demands a restriction on this self-seeking so that the reproduction of social capital can be ensured.

The weakness of bourgeois rationality must then imply that the discipline needed for social capital to thrive is barely exercised. Once this is so the survival of capitalism in that milieu is already threatened. This has several implications. One of them is the low development of productive forces ie. labour, natural

¹This derives from the very nature of capital as self-augmenting value.

resources and implements used to exploit them (technology). Let me explain. In many countries of the world where capitalism is being practised, inspite of all its ills we witness ever-continous improvement in the development of forces of production and its consequent effect in uplifting the material well-being of the generality of the people. Infact most social scientists ² would agree that capitalism is easily the mode of production that most rapidly advances forces of production. Karl Marx for example, inspite of his dedication to exposing the ills of capitalism acknowledges this basic fact.

In 1848, Marx and Engels³ wrote:

The bourgeoisie, during its rule of scarce-one hundred years, has created more massive and more colossal productive forces than have all preceeding generations together. Subjection of nature's forces to man, machinery, application of chemistry to industry and agriculture, steam navigation, railways, electric telegraphs, clearing of whole continents for cultivation, canalisation of rivers, whole populations conjured out of the ground-what earlier century had even a presentiment that such productive forces slumbered in the lap of labour?

²This includes both the radical and more orthodox scholars.

³See the Communist Manifesto, authored by both of them.

This rapid development of forces of production attributed to the capitalist mode is a consequence of the fact that competition is free and the law of value is operationalised, ensuring the continuous expropriation and capitalisation of surplus value. The reward-system is then basically built on productive capacity - the more productive the greater the reward. This is what drives towards the perpetual development of forces of production, as capitalists struggle⁴ to beat each other, reduce cost and corner the market. However, our thesis suggests that the operationalisation of the law of value is impaired in Nigeria because of the weakness of bourgeois rationality. Coercion is introduced into the arena of competition, divorcing accumulation from production, and discouraging productive activity. Part of the effect is that the country regresses further into underdevelopment. This means in turn that it cannot harness its resources, its citizens cannot cater for themselves. They cannot feed, clothe or shelter themselves; they cannot provide their own drugs; they cannot uplift their living standards. Poverty would increase; hunger would become more acute.

But all these, are mere consequences of the weakness of bourgeois rationality, the establishment of which is our main thrust. Our concern is directly with the discipline necessary for the extended reproduction of social capital. Is this discipline weak in Nigeria? We argue that it is, and therefore attempt to show why it is.

⁴This ensues from competition.

Besides the purely economic manifestation of bourgeois rationality as in ensuring the operationalisation of the law, there are other expressions of the concept as well. The point is that the various tenets all enhance the extended reproduction of social capital. In particular the ideological aspect of the concept plays a crucial role in the acceptance and internalisation of the basic principles and assumptions necessary for the law of value to operate. Needless to add, the links of this aspect with the enhancement of social capital would have to be clearly delineated. It would be important for instance to show how this arm of bourgeois rationality enhances the continuous expropriation of surplus value from labour by capital. So that in the end it should be lucid how this tenet ties with the purely economic, enhancing reproduction of social capital on an ever expanding scale.

Notice, however, that much of all these lies directly or indirectly in the sphere of production, where value is expropriated. But once we advance into the sphere of circulation, as a necessary section of the circuit of industrial capital, the need for bourgeois rationality also emerges. The functioning of capital in this sphere, in particular, demands a level of mutuality of trust amongst the bourgeoisie. But this also can only come about through the exercise of restraint on self-seeking, so that the bourgeoisie as a whole behaves in a manner that inspires trust; makes due payments, keeps terms of contract, etc. This is the basis of the modern credit

system which is so indispensable and advantageous to social capital. The general overall effect is an increase in the rotation time of capital, resulting in the faster capitalisation of surplus-value. All these will have to be developed later on after this introductory section. The aim here is just to give a general picture of what this work is about and how we intend to accomplish it.

The explanation to note here is that bourgeois rationality relates with the extended reproduction of social capital. It is the necessary collective discipline that must be exercised, in spite of the selfishness of particular capitals in the interest of capital in general. Our argument is that this discipline is weak amongst the Nigerian bourgeoisie. And this is so because of the peculiarities of this class in Nigeria, which cannot be divorced from the history of capitalism in the country. The problem is rooted in the level of the development of productive forces. The rudimentary stage of the forces of production constrain the evolution of the collective rationality necessary for the expanded reproduction of social capital.

A corollary of this is that bourgeois rationality as we find manifest in the Occident, hinges on the development of productive forces. In particular the development of pervasive commodity production urges the evolution of norms of the market on which all depend and abide by. But this is not so in Nigeria⁵

⁵See Claude Ake (ed.), Political Economy of Nigeria, Longmans, New York, 1985. The point being made here comes out quite clearly, especially in the first two articles of the book.

for commodity production is yet limited. This creates a problem for the institutionalisation of the necessary norms of the market. This condition is worsened by the peculiarities of the Nigerian bourgeoisie, especially as one with a weak material base⁶.

Now the establishment of the weakness of bourgeois rationality should give more than an indication of the fate of capitalism in the country. To be precise, the survival of capitalism as a mode of production is then seen to be in jeopardy, for particular capitals in their self-seeking, not exercising enough restraint tend to subvert the very conditions which ensure the extended reproduction of social capital. This, amongst others, questions the capitalist road as a means of development in Nigeria. However we do not address the shortcomings of capitalism. We rather examine it from the perspective⁷ and interests of the bourgeoisie as a whole. What we may conclude is that even on bourgeois terms, capitalism in Nigeria will not develop the society because of the specific character of this mode of production here. In particular the behaviour of the bourgeoisie, the main benefactors of the system, ironically strains to subvert capitalism. Their character would not let capitalism to fully thrive,

⁶This weakness we must state applies to the bourgeoisie in much, if not all of Africa; for many countries on the continent have what Claude Ake has aptly identified as a political economy. See his A Political Economy of Africa, Longmans, London, 1981 and Revolutionary Pressures In Africa, Zed Press, London, 1978.

⁷Much of the insight regarding perspectivism and social interests we derive from the classic book of Karl Manheim, Ideology and Utopia, HBJ Book, 1936. See also Marx and Engels', The German Ideology, Progress, 1976.

so that its benefits can be derived. Capitalism is constrained because of the indiscipline of the Nigerian bourgeoisie. This is the general thrust of our work.

Let us now take a brief look at the structure of our presentation. This should provide a general guide to the sequence we follow in making our argument.

II AN OVERVIEW

After this introductory chapter, we move on to review some relevant literature in chapter Two. This second chapter should help to clarify our point of departure from earlier works which have been concerned in some way with the survival of social capital especially the containment of the necessary contradictions inherent in the capitalist mode.

Now being basically a work on capitalism, there would be need to see how this mode of production actually developed in the classical case of western Europe. This is primarily to understand the nature of capitalism. Having done this we shall then link capitalism with the emergence of bourgeois rationality. These would be done in chapter three.

In chapter four, we shall attempt to delineate the basic tenets of the concept of bourgeois rationality following the experience of the West. There would be need to demonstrate the saliency of each tenet, illustrating how in the historical case of Western Europe, they sustain extended reproduction. From here we shall move on to chapter five, where we examine the history and nature of capitalism in Nigeria.

Alongside this, we shall also discuss the nature and character of the Nigerian bourgeoisie. These provide the basis for explaining in this milieu the weakness of bourgeois rationality, the subject of chapter six. To corroborate our argument in this chapter, there would be need to illustrate with concrete historical cases. And to be sure the scenario that should emerge would be a complex one. For indeed an argument about the weakness of a concept implies an acceptance that there are manifestations of it, even if inadequate. We should then be able to see manifestations of bourgeois rationality, manifestations of bourgeois irrationality; contradictions, mediations and ambiguities. From here we shall proceed to chapter seven, where we would attempt to summarise the state the conclusions.

THEORETICAL FRAMEWORK

The theoretical framework which we apply in this work is called political economy.⁸ This approach is based on historical and dialectical materialism. Now let us break all this down. First what is materialism?

Materialism derives from the word matter, which is a substance that occupies space and has mass. A tangible substance. It is better distinguished if placed against mental or spiritual substance which is intangible, e.g. consciousness. Materialism follows

⁸ In our attempt to understand this approach, many works were useful, but worthy of special mention is Claude Ake's "The Political Economy Approach, Historical and Explanatory Notes on a Marxian Legacy In Africa" in J. Ihonvbere (ed.) The Political Economy of Crisis and Underdevelopment In Africa: Selected Works of CLAUDE AKE, JAD, Lagos, Nigeria, 1989.

therefore as the interest in concrete, physical and economic conditions. It is actually the doctrine that matter is the only reality, and that mind, emotions, consciousness derive from it. Now, what is dialectics? This is the system of reasoning which is engendered by the dynamics or contradiction resulting from the unity of two opposing materials. The first of the two materials we refer to as the thesis. The other, its negation, the antithesis. The contradiction is resolved in the formation of a new thesis, the synthesis. But the new thesis is itself ill at rest for it carries in its womb its own antithesis. This way, the resolution process continues; everything is seen to be in a state of flux, ever changing.

The use of this principle dates back to the ancient Greeks, many years before the birth of Jesus Christ, 2,000 years ago. At this time, Greek thought was basically a social phenomenon; life itself being basically social for them. The life that had meaning and significance was life in the polis, the city-state ie. public life⁹.

⁹For a deeper understanding of this explanation, see Plato's, The Republic, especially the edition translated by Francis MacDonal'd Cornford, Oxford University Press, 1962. Also very useful is The Politics of Aristotle, translated and edited by Earnest Baker, Oxford University Press, 1962.

However if we are to name a founder of the dialectics, of the early philosophers, it would be Heraclitus. As Bogomolov says "the doctrine of the struggle and unity of opposites will be forever linked with his name"¹⁰. From the ancient times, therefore, the principle of the dialectics was already established. It took Hegel¹¹ however to give the dialectic a universal scope, and application. He elaborated and applied the dialectic to the totality of the world, and everything therein.

Hegel begins from what he variously referred to as Pure Thought, the Idea, Consciousness, existing before the "creation of the world"¹². In the Idea is contained the entire span of universal history but as mere potentiality. The Idea developing in space is Nature, and in time is History. But the development through Nature already presents a direct opposite of the idea - concrete material as opposed to consciousness. So that what we have is a dialectical relationship, a unity of opposites. From this contradiction emerges a synthesis. This Hegel calls Spirit, the synthesis of the divine Idea and Nature. The acting out of this contradiction as consciousness strives for purification and self-realisation to return to its pure form is what becomes history.

¹⁰ See page 63 A.S. Bogomolov, History of Ancient Philosophy, Progress, 1985.

¹¹ See Georg Hegel, The Philosophy of History, introduced by C.J. Friedrich, Dover Publications, New York, 1956. See also Hegel: Reason in History, translated and introduced by Robert Hartman, Bobbs-Merrill, Indianapolis, 1953.

¹² Cited on page xii, Hegel: Reason in History, op cit.

It is important to note here, at least for our purpose, that the Original Idea, Consciousness, is what determines the events acted out on the material plane. This is where Marx clearly differed. The difference between the two lies in the location- of the driving power of history. For Hegel., it was located in the Idea (Consciousness). But for Marx it was located in the struggle of classes polarised around the ownership or non-ownership of the means of production. Hence he opens the Communist Manifesto by saying that:

The history of all hitherto existing society is the history of class struggles. Freeman and slave, patrician and plebian, lord and serf, guildmaster and journeyman, in a word oppressor and oppressed, stood in constant opposition to one another.....¹³

The thesis and antithesis emerge therefore for Marx as classes in opposition. The contradiction ushers in a new thesis which in turn already contains in its womb, an antithesis, which negates the thesis, to usher in yet another synthesis. The process continues until there are no more antagonistic classes.

Marxism therefore encourages us to see reality as an unfolding spectrum, whose engine of motion is located

¹³ See also The Fundamentals of Marxist-Leninist Philosophy edited by F.V. Konstantinov, amongst several other marxist writings for further expressions of the same idea.

in the contradiction engendered by the unity of opposites. Reality is understood as a chain in an ongoing process of: been, being and becoming. This is a Marxian legacy which largely helps in defining the political economy approach. By this we are implying that Marxism as such is not necessarily political economy, although the latter borrows very heavily from the former. How is this?

First of all we must note that this approach of political economy developed (and indeed is still developing) in the bid to understand non-industrialised social formations. Marxism happened to have been of particular appeal to these formerly colonised and exploited countries because of its emphasis on change and liberation. Karl Marx¹⁴ had opined, that philosophers had actually interpreted the world, but the point really is to change it. To change it meant to liberate man from oppression and exploitation by rearranging social reality.

Inspite of its relevance to the periphery formations, however, Marxism yet had limited use; for it was itself a historically specific product. Thus it could not enjoy universal application inspite of its scientificity.

Marxism was about capitalism and indeed the industrial revolution, and the need for a revolution in Europe. The focus of Marx was therefore not on the peripheral and precapitalist social formations, but on the industrialised, capitalist Europe.

¹⁴See his "Theses on Feuerbach", page 30 in Marx and Engels: Selected Works, Progress, 1968.

To be sure, Marx made the link between colonialism and capitalism. He foresaw the international division of labour and the globalisation of capitalism. But this was not his thrust. He maintained a Eurocentricism, which remains a hallmark of orthodox Marxism. It is against this background that the political economy approach emerged, focusing on the global character of capitalism and its implication for periphery formations. The import of this, is that the political economy approach developed, if you like, as a variant of Marxism, accepting its general conceptual framework and analytical tools. So precisely what are the basic tenets of this approach? In answer, we find Claude Ake's¹⁵ summary helpful:

1. The political economy approach accepts the basic categories and basic methodological theoretical commitments of Marxist thought; to this extent it may be construed as a variety of Marxism.
2. The approach is singularly interested in the nature of capitalism as a global phenomenon, the nature of the relation between centre and periphery, and the specificities of periphery capitalism especially as they illuminate the possibilities of the development of productive forces. Its development has been conditioned by the limitations of orthodox Marxism and Western social science methodology as a whole in providing these forms of understanding.

¹⁵ See pages 38-39; The Political Economy of Crisis and Underdevelopment in Africa, op cit.

3. Tendency to assume that imperialism has been and remains a decisive influence on the nature and the possibilities of the periphery. This tendency has led orthodox Marxists to accuse "political economists" of neglecting the class struggle.
4. Tendency to assume that reality is characterised by dynamism arising from the pervasive contradictions of material existence. This is an element from the legacy of Marx which the approach has singled out for special attention.
5. Particular interest in the possibilities of development and associated with it, a preference for development analysis of phenomena; a tendency to see reality as a process.
6. A commitment to treat social life and material existence in their relatedness, and associated with this, a rejection of the discipline specialisation and preference for interdisciplinary approach; but an interdisciplinary approach which is conceived not as the simultaneous application of specialised disciplines but rather the forging of synthetic discipline, a social science (on materialistic foundations) to replace the social sciences.
7. Commitment to treating problems concretely rather than abstractly. This is often taken to the point of regarding scholarship as creative praxis, something to be guided by experience and reciprocally a guide to scholarship. It insists that the experience of periphery formations be taken seriously on their

own terms, that they may be possibly new or unique realities not necessarily shadow imitations of things that have been elsewhere and which are to be understood by mechanically applying notions that might illuminate other historical situations.

These essentially grasp the basic ingredients of the political economy approach. However the method may well be better illustrated through praxis. We therefore expect it to clarify as our argument unfolds.

SUMMARY

In this introductory section we have provided necessary information to help set this work in proper perspective. We have for instance stated what we intend to argue, why we consider it important, and what theoretical framework we are adopting. We have also given a general idea of our order of presentation, and hence the overall sequence of the one argument that we are making. We now proceed to chapter two.

CHAPTER TWOLITERATURE REVIEWINTRODUCTION

First, what is the essence of this chapter? It is to show from available literature some earlier works that have been done in our area of interest. The idea partly is to see the earlier works on which we build and also that our contribution can stand out in clear relief.

But which is this area of research that we are concerned with? Basically the interest is in the survival and expansion of social capital - how this is ensured in spite of the self-contradictory manner in which capitalism must exist. Of necessity, there are the contradictions between particular capitals, and the contradictions between particular capitals and social capital each of these contradictions tending to negate the mode of production by engendering conditions which tend to hinder the valorization process. And by that very fact the extended reproduction of social capital. It is the mediation of these negative trends; the restraint of selfish particulars that ensures the survival of the collective.

Once the question is posed thus, in more general terms, as one that is about ensuring the survival and thriving of the collective interest over particular interests, it becomes obvious that we are really in a very familiar terrain in political science. This is the terrain of the state, especially the capitalist state, for it is under capitalism that the culture of selfishness is most pronounced. Here it infact defines every action of

particular capitals. The result is an ever continuous collision, hindering each other and hindering social capital.

The problem to be addressed then is: how is this condition of perpetual and pervasive conflict in capitalist society ameliorated when each functions solely to achieve its selfish aims? Or more precisely for this section: Who are some of those who have addressed this kind of problem, and what did they have to say? It is the answer to the latter question that we shall find in this chapter.

And going by the way the problem has been formulated and the terms by which it is expressed, it is fairly obvious that we must look in the direction of the marxist tradition for answers to the question we are attempting to answer. To be sure, we are not embarking on an indiscriminate regurgitation of marxist writings; in any case such an exercise would be both meaningless and distracting. We would rather confine ourselves to those writings which shed light specifically on the amelioration of the necessary contradictions of the capitalist mode. It is to these, much of which have to do with the state, that we now turn.

MARXISM, THE STATE AND SOCIAL CAPITAL

First we must note that Marx did not develop a coherent theory of the state. Much of his thought regarding the state is distilled from his critiques of Hegel, theory of society, and indeed his analyses of particular historical situations. Examples are the

1848 Revolution in France and Louis Napoleon's dictatorship, or the 1871 Paris Commune. But these, in addition to Engels', The Origin of the Family, Private Property and, the State, and Lenin's The State and Revolution provide the fundamentals from which later marxist scholars have drawn, quite often ending up with different interpretations. Still some common grounds abound.

One, that, for Marx, the material conditions of society constitute the basis for its social structure and also shapes human consciousness. And two, that the State, a social structure emerging from the relations in production is a political expression of the class structure in the production arena. So that the state does not represent the common good as Hegel and the contractarians¹, would have us believe. Marx followed a logic which was bound to reject this "common good" state. As Martin Carnoy put it²

Once he came to his formulation of capitalist society as a class society dominated by the bourgeoisie, it necessarily followed that the state is the political expression of that dominance. Indeed the state is an essential means of class domination in capitalist society. It is not above

¹ By this we refer to the social contract theorists, including Hobbes, Locke Roussean etc. They and Hegel, held the view that the state represents the social collectivity, the social whole.

² See, The State and Political Theory, Princeton University Press, New Jersey, 1984, P.47.

class struggles but deeply engaged in them. Its intervention in the struggle is crucial, and the intervention is conditioned by the essential character of the state as a means of class domination.

This notion of the state comes out most clearly in the German Ideology, which Marx authored with Engels. According to them, the state arises out of the contradiction between individual and communal interests, securing private property. In their words "it is in fact ~~xx~~"through the emancipation of private property from the community (that), the state has become a separate entity, beside and outside civil society; but it is nothing more than the form of organization which the bourgeoisie necessarily adopts both for internal and external purposes, for the mutual guarantee of their property and interests"³. In one word, the state arises to mediate the contradictions between social and particularistic interests.

Engels was to further develop and clarify this view of the state in The Origin of the Family, Private Property and the State. Here he argues that the capitalist state developed in response to the need to mediate class conflicts, maintaining order, so that economic dominance of the bourgeoisie is perpetually being reproduced. Also, in his words,

³ Marx and Engels, The German Ideology, Progress Publishers, Moscow, 1964, P.78.

The State is...by no means a power imposed on society from without, just as little is it "the reality of the moral idea", "the image of the reality of reason," as Hegel maintains. Rather, it is a product of society at a particular stage of development; it is the admission that this society has involved itself in insoluble self-contradiction and is cleft into irreconcilable antagonisms which it is powerless to exorcise. But in order that these antagonisms, classes with conflicting economic interests, shall ^{not} consume themselves and society in a fruitless struggle, a power, apparently standing above society, has become necessary to moderate the conflict and keep it within the bounds of "order"; and this power arisen out of society, but placing itself above it and increasingly alienating itself from it, is the state...

As the state arose from the need to keep class antagonisms in check, but also arose in the thick of the fight between the classes, it is normally the state of the most powerful, economically ruling class, which by its means becomes also the politically ruling class, and so acquires new means of holding down and exploiting

the oppressed class. The ancient state was above all, the state of the slave owners for holding down the slaves, just as the feudal state was the organ of the nobility for holding down the peasant serfs and bondsmen, and the modern representative state is the instrument for exploiting wage labour by capital⁴.

So that the state emerges then in capitalist society as one to ameliorate necessary contradictions of the system; and one which serves the interest of the bourgeoisie, a group that "has at last, since the establishment of Modern Industry and of the world market conquered for itself, in the modern representative state, exclusive sway. The executive of the modern state is but a committee for managing the common affairs of the whole bourgeoisie"⁵.

This statement can easily be construed to mean that Marx and Engels regarded the state as a crude instrument in the hands of the bourgeoisie. But this is an understanding which many marxists would regard as incorrect⁶. Draper, for instance states categorically, that

⁴Engels, The Origin of the Family, Private Property and the State, International Publishers, New York, 1968, P.155, 156-7.

⁵See Marx and Engels, the Communist Manifesto Appleton-Century-Crofts, New York, 1955, P.11-12.

⁶C.Ake in his manuscript, The State as A Capitalist Phenomenon, even goes as far as arguing that it is precisely, because the state is not an instrument in the hands of the bourgeoisie that it serves the course of capital.

"Marx and Engels did not make the state out to be merely an extrusion of the ruling class, its tool, puppet or reflection in some simplistic, passive sense, Rather, the state arises from and expresses a real overall need for the organisation of society - a need which exists no matter what is the particular class structure. But as long as there is a ruling class in socio-economic relations, it will utilize this need to shape and control the state along its own class lines"⁷.

The import of this is that the state enjoys autonomy, which is even more pronounced in some peculiar circumstances as Marx shows regarding Louis Napoleon Bonaparte's empire (1852-1870). Marx uses this case to illustrate that the state itself rules when no class has enough power to control it, so much so that even the bourgeoisie "confesses that its own interests dictate that it should be delivered from the danger of its own rule; that in order to restore tranquility in the country, its bourgeois parliament must first of all be given its quietus; that in order to preserve its social power intact, its political power must be broken"⁸.

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⁷ See H. Draper, Karl Marx's Theory of Revolution vol.1, State and Bureaucracy, New York Monthly Review Press, 1977, P.319.

⁸ Marx and Engels, Collected Works, London, Lawrence and Wishart 1979.

According to Carnoy, Marx and Engels seem to have delineated two levels of state autonomy.

In the first-the "normal" condition, the state bureaucracy has some autonomy from the bourgeoisie because----- of the conflicts among individual capitals (requiring an independent bureaucracy that can act as an executor for the capitalist class as a whole). Thus in the normal status of the bourgeois state, the bourgeoisie assigns the task of managing the political affairs of the society to a bureaucracy (which is not the bourgeoisie or individual capitals), but that bureaucracy - in contradistinction to earlier social formations-is subordinated to bourgeois society and bourgeois production.---...The second level of autonomy is achieved when the class struggle is "frozen" by the inability of any class to exhibit its power over the state⁹.

The point being made is that under bourgeois rule, the state is separated from the bourgeoisie. Or more precisely, there is a separation of economic domination from political functions. Marx gives reasons for this. One, is the class struggle which compels the bourgeoisie to sacrifice political rulership- in order to safeguard

⁹Martin Carnoy, The State and Political....., P.54-55.

its economic interests. This it does by avoiding that "dangerous turn that transforms every struggle against the state power into a struggle against capital"¹⁰.

Two, the capital relation which does not require the intervention of state force for its reproduction, once it is established. This latter reason in fact marks out capitalism, qualitatively from precapitalist societies, and the formative period of capitalism. These require force for domination to be maintained. But under capitalism, the scenario is distinctly different for the law of value operates objectively, reproducing the conditions and social relations of production without the intervention of force. Thus, the bourgeoisie can afford to renounce political rule and yet not prejudice property rule.

But how come the bourgeoisie while separated from political power, is yet able to subject the state to its interest? First, we must note that this class interest is not guaranteed in^a straight forward manner. It is rather done through the suffrage which hurls all the classes into the political stage and forces them to compete directly on it. This is how the class struggle manages to be confined to the surface of bourgeois society, appearing to everyone only as a political one. This is the case in bourgeois republics, which correspond to the competitive stage of capitalism; as opposed to the phase of primitive accumulation when force was applied to control wages and separate producers

¹⁰ Marx and Engels, Selected Works, Foreign Languages Publishing House, Moscow, 1962, P287.

from their means of production.

A later stage of capitalism was however yet added to the list of phases of capitalism. This was based on the theory of 'state monopoly' capitalism developed principally by Lenin¹¹, in response to changes in the structure of capitalism as it developed. The main argument was that in this later stage of capitalism there is a fusion of the state and financial and industrial capital, leading to an extraordinary strengthening of state machinery, which is followed by the intensification of working class repression at home and imperialism abroad.

This Leninist theory of the state, the 'state-monopoly thesis', was to form the basis of the revived debate on the marxist theory of state, especially in the face of very significant developments in the West, such as the extension of democratic liberties, economic rights and general decline in the militancy of working class organisations. It was in the attempt to understand and explain these developments that Gramsci developed his theory of state. He started out by critiquing the reductionism of the state monopoly thesis, which reduced the state to the ruling class, linking all developments in the superstructure to the changes in the structure.

Gramsci argued that the superstructure had a life of its own developed according to its own laws,

¹¹ See Lenin, V.I. The State and Revolution, Peking; Foreign Languages Press, 1965; especially pages 38 and 45.

separate from the structure. This is what led him to speak of a "sciences of the political".

He also spoke of the "relative autonomy of the political", by which he meant that the structure and superstructure are not directly, ~~linked but are rather separated by a bridge,~~ "civil society", belonging to neither structure nor superstructure and which played significant roles in the reproduction of both levels.

It was against this background that he distinguished between two forms of rule, namely, domination and hegemony. Domination, according to him, was rule by force, and 'hegemony' rule by willing consent of the ruled. For Gramsci, the state and its organs constitute the arena of domination and force, while 'civil society' constitutes the arena of hegemony and consent.

His thesis is that bourgeois rule is based on hegemony, rather than coercion. And that this is made possible through the civil society constituted mainly of private organisations the press, the church, schools, political parties, trade unions, etc,- which are conditioned by bourgeois political and civic freedoms. These, in turn, inform and mould the world view of the dominated along bourgeois lines. Part of the consequence is the peaceful reproduction of the capitalist order. Bourgeois domination is thus ensured but through subtle means, blurring consciousness antagonistic to the bourgeois order.

We see by these contributions how the necessary contradictions of capitalism, which otherwise would have negated the system, are ameliorated enough to ensure the

survival of social capital quite often through the mediation of political structures including the state. But the linkage between the contradictions endemic in capitalism and the state is most visibly seen in the contributions to the German debate regarding the state. The contributors in fact deal in 'our' precise terms of the contradictions between particular capitals, and between particular capitals and social capital. Following the debate two main approaches distill out most clearly. One beginning from the fact that capital exists only as individual or particular capitals, this first school of theorists focus on the question, how is the reproduction of total social capital ensured? And the conclusion, they reach is that it is only as a result of the existence of "an autonomous state standing above the fray that the social relations of an otherwise anarchic society is reproduced, and the general interest of total social capital thus established"¹².

Muller and Neuss, for instance, following Marx, deduce the state from the self-destructive nature of capitalist society. The contention is that capital with "its unrestrainable passion, its werewolf hunger for surplus labour"¹³ would destroy itself, by destroying the labour power of workers, except for state intervention. The state, acting in the interest of capital in general protects the workers. The state is constituted as a welfare state whose activity derives from the incapability of individual capitals to ensure the reproduction

¹² See Holloway and Picciotto (ed), State and Capital: A Marxist Debate, Edward Arnold, London, P.19.

¹³ See Karl Marx, Capital, vol.1, p.252.

of labour power¹⁴.

The thesis of Elmar Altvater is similar to that of Muller and Neuss. He also derives the state from the inability of capital, existing as antagonistic particular capitals, to reproduce its collective social existence. Capital then requires the state in order that the ^{needed} reproduction can be made possible. It requires a state, an organ which does not suffer the same limitations as individual capitals to do this, for this is the only way to see to the survival of the general capital. The state thus makes up for the inadequacies of individual capitals in providing for their viable collective existence. In making this provision, the state, according to Altvater, has to perform four basic functions. These are:

1. the provision of general material conditions of production ('infrastructure');
2. establishing and guaranteeing general legal relations, relationships of relations, through which the legal subjects in capitalist society are performed;
3. the regulation of the conflict between wage labour and capital, and if necessary the political repression of the working class, not only by means of law but also by the police and army;
4. safeguarding the existence and expansion of total national capital on the capitalist world market¹⁵.

¹⁴ See the fuller expression of this position in Holloway and Piccioto (ed), op cit, pp. 32-39.

¹⁵ Elmar Altvater, "Some Problems of State Interventionism in Holloway and Piccioto (ed), State and p.42.

In their contribution, Blanke, Jurgens and Kastendiek, following the same approach as Altvater, start from the fragmentation of social production, into commodity production which is carried out by individual producers. From here, they then proceed to derive the form and function of the state "from the need to regulate the relations between commodity producers by means of law and money. Regulation by these means is necessary to maintain relations of exchange between commodity producers and this regulation can come only from a body standing outside the relations of commodity production"¹⁶.

Critics however find three strong objections against this approach. These are worth stating;

- a) That the state comes into being to satisfy the needs of general capital attributes to it a knowledge which it cannot have.
- b) That not much is said about the state as a modality of relations of repression and legitimation existing between the working class and the state.
- c) That this approach is ahistorical. And this is so because the engine of motion of capitalist development is not concretely located in the class struggle.

The second line of approach, in the debate is represented principally by Joachim Hirsch, a major critic of the former. He starts from the basic structure

¹⁶ See Holloway and Piccioto (ed), The State...(op.cit) p.20.

of capitalist society but focuses on the nature of capital relation, precisely the relation of the exploitation of labour by capital. The argument of Hirsch is that the form of the state must be derived from the nature of social relations of domination in society. For Hirsch what constitutes the dynamic force behind the development of the accumulation process, and by his argument the development of the state itself is the contradiction inherent in accumulation. The tendency of the rate of profit to fall and the counter-tendencies which this engenders emerge as the key to the understanding of the development of the state. Hirsch sees the tendency of the rate of profit to fall as what imposes upon capitalism, the need to constantly reorganize its relations of production.

As he says:

The mobilization of counter-tendencies means in practice the reorganization of an historical complex of general social conditions of production and relations of exploitation in a process which can proceed only in a crisis-ridden manner. Thus the real course of the necessarily crisis-ridden process of accumulation and development of capitalist society decisively depends on whether and in what manner the necessary re-organization of the conditions of production and relations of exploitation succeeds. This is essentially affected by the actions

of the competing individual capitals
and by the outcome of class conflict
on an international scale.¹⁷

This analysis by Hirsch which starts from the antagonistic relation between capital and labour in the accumulation process, is probably the closest we have to a truly historical and materialist analysis of the state, so far. But for our purpose however, what is of greater interest is that the works summarised here deal with the question of how capitalism survives in spite of its self-destructive nature. But this same question is precisely what constitutes the core of the thesis we wish to advance. How then do we differ? What new thing are we going to add?

Point of Departure

First, let us state that what we intend to do in this work, is in a way, similar to the analyses we have summarised. It is similar in the sense that it is concerned with how social capital survives in spite of the contradictory and self-negating nature of capitalism. But it is different to the extent that rather than look squarely at the state for an explanation; it looks through the state to understand the character of the benefactors of the capitalist system: the bourgeoisie. It places the *onus* of the survival of the capitalist system not necessarily on the state, but on the bourgeoisie, their ability to exercise some discipline in spite of the intrinsic selfishness of capitalists, so that social capital can thrive. It realizes and admits that particular capitals are selfish; but it does not stop there; it

¹⁷ See "The state Apparatus and social Reproduction" in Holliway and Picaoto (ed), State and Op cit, P. 74.

looks beyond the mask of capital, to the wills behind it, the bourgeoisie. It is their exercise of restraint enough to ensure the survival and expansion of social capital that is subject of analysis here.

Through the state, rules could be made in the interest of social capital; but it takes discipline, on the part of the bourgeoisie, and a level of rationality to restrain their selfishness and be subject to those rules. In any case, because the work focuses at the bourgeoisie, and not just at the state, it locates elements necessary for the survival and expansion of social capital even outside the arena of the state. It is able to do so because it takes seriously the circuit of industrial capital, and thus does not confine itself to the arena of production, but rather includes circulation, as well. Surely the immanent contradictions in the capitalist mode necessarily relate to the state, but not exclusively so. Because of the character of particular capitals, these contradictions can be seen all through the locus that capital must trace in its cycle of self-augmentation. It is this that call forth correspondingly the restraint of the bourgeoisie, within or outside the state arena, for the sake of the survival and expanded reproduction of social capital. This restraint that must be exercised by the bourgeoisie in the interest of social capital is what we are calling bourgeois rationality.

SUMMARY

What we have done in this chapter is to recount briefly, some works which have been done in the area of our interest. i.e. works relating to the survival of social capital inspite of the inherent contradictions of capitalism.

In doing this we found the works of Marx, Engels, Lenin, Gramsci, and the German school on the state most useful. These partly form the theoretical foundations on which we build.

We now turn to defining our major concept that of bourgeois rationality, but not before we have traced the emergence of capitalism, the substratum from which the concept springs and rests.

CHAPTER THREE

THE EMERGENCE OF CAPITALISM

I. INTRODUCTION

The relevance of this chapter lies in the establishment of the relationship between capitalism and the main concept of this work - bourgeois rationality. The concept derives from the character of the capitalist mode of production. This mode therefore, has to be clearly understood. In doing this, it would be important to trace the classical historical path that led to its emergence. This is significant in enabling us understand why the Nigerian case is peculiar. For the path to capitalism in this case was decisively different; a short-circuit. To appreciate this properly, we have to trace the salient events that led to the emergence of capitalism in the West: from "usurers and merchant capital, up to the emergence of industrial capital itself. Having done this, the relevant and basic characteristics of the mode of production should then be easily deciphered; especially those that necessitate bourgeois rationality.

II. EARLY FORMS OF CAPITAL

All civilisations have been built on surplus product, the basis of which is actually agricultural surplus product. Society must produce beyond subsistence before it engages in other activities that build civilisations; craft, industry, art, science, etcetera.

Specifically, agricultural products appear in three different ways: as surplus product in the form of labour services, use-values or money.

In Western Europe of the Middle Ages¹, village land was often divided into three parts. One part was to serve the needs of the peasants who cultivated them; another was exploited directly by means of the unpaid labour services of peasants; and then the third part was reserved as common lands, meadows, woods, wastes and so on, owned by all in common. The peasant divides his working week between his fields and that of the lord. The former **necessary** labour, the latter surplus labour. But alongside surplus product supplied in the form of unpaid work, there sometimes appeared also surplus product paid in kind.

And as long as agricultural surplus product was in kind, trade, money and capital existed "only in the pores of a natural economy". There was hardly any need for the market; basically people consumed what they produced. This situation changed however, with the introduction of money rent. This forced the peasant to sell in the market in order that he may pay his rent. At this point, a transition is made from a closed natural economy towards a money economy. Money, in turn made possible the acquisition of an

¹This was basically the golden age of feudalism, when productive and other social activities were organised according to feudalistic ethos.

infinite range of treasures by the exploiting class. However, the acquired goods constituted nothing but hoarded use-value², mere luxury and waste. Unproductive consumption. Nevertheless the money that the possessing class wasted on extravagance ended up concentrated in the hands of usurers and merchants.

As a matter of fact, capital was first to emerge as usurer's capital. With the development of a big money sector, lending money became the main source of profit. But as the money economy became more and more widespread, usurer's capital retreated giving prominence to trade as a source of profit. We witness the emergence of a merchant class³. Now notice that the emergence of this class in the midst of a basically natural economy, presupposes primitive accumulation of money capital. The two main sources were piracy and brigandage. Of course, these were in addition to the appropriation of agricultural surplus products. Besides, to effectively realise profits at the expense of the purchasers the traders ensured that they created monopolies for themselves at both the selling and buying ends. The expansion of trade from about the 11th century

²This contrasts with exchange value ie. value meant for exchange, as opposed to use-value, which is value meant for use.

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³See the masterly Studies in the Development of Capitalism, Routledge and Paul, London, 1963 by Maurice Dobb.

in Western Europe speeded up the development of a money economy which was however later to suffer severe handicaps, such as shortage of coins. This was partly the result of the general economic decline accompanying the Hundred Years War⁴. Old mines were reopened and new ones sought for but not to much avail.

There were also the limitations generated by monopolies. These grossly stifled the money economy until some rather unexpected successes, like the discovery of America, the circumnavigation of Africa, the plundering of Mexico and Peru, the establishment of sea links with India, China, Indonesia and Japan. The result was a commercial revolution which created a world market. And again like the primitive accumulation of merchant capital, commercial capital was first accumulated through brigandage and piracy. In fact, it is even difficult not to group the ensuing trade as primitive accumulation as well, judging by the kinds of fantastic profit made.

Let us illustrate with a short table of the purchase and selling prices of the French East India Company in 1691⁵

⁴These were a series of wars fought intermittently between England and France from 1337-1453.

⁵See Ernest Mandel, Marxist Economic Theory, vol.1, Translated by Brian Pearce, Monthly Review Press, New York, 1962, p.109.

	Purchase Price £	Selling Price £
White cotton cloth and mushin	327,000	1,267,000
Silks	32,000	97,000
Pepper(100,000 16)	27,000	101,000
Raw Silk	58,000	111,000
Salt petre	3,000	45,000
Cotton thread	9,000	28,000
Total, including some smaller items.	<u>487,000</u>	<u>1,700,000</u>

What you have is a profit rate of about 250.00 percent. With such gains it is not surprising that colonial trade vigorously increased⁶, and with it also the setting up of monopolies to further maximise profit. Furthermore, to the trade in articles was to be added trade in men; slave trade. All these further beefed up profit luring all privileged classes to partake in the 'gold rain' resulting from the plundering of the colonies. Worthy of mention among the partakers in this plunder was the philosopher John Locke, who alongside the Duke of New York and the Earl of Shaftesbury were partners in the New Royal African Company engaged in slave traffic up to 1698.

III. DOMESTIC INDUSTRY AND MANUFACTURE

Basically, however, international trade remained one in luxury items, although government orders and the growing needs of the well-to-do classes stimulated the production of non-agricultural commodities.

⁶ See E.J. Hobsbawm, Industry and Empire, Penguin, 1968.

So that alongside colonial trade, trade in craft and manufactured goods was also becoming more extensive. But in spite of this extension, production in Western Europe remained basically petty commodity production. Master craftsmen working with a few journeymen, produced commodities that were sold to the public at prices fixed in advance. But when and how did this development start?

To answer this question we must retreat slightly to the age preceeding capitalism, feudalism. To be sure, this was a period when social, political and economic life was basically that of the manor, estate owned and controlled by a lord, but worked by serfs, dependants of the lord, who in turn offered them protection. Payment or tribute was basically in the form of "week-work", (number of days in which the serfs worked for the lord) or in-kind: products.

The demise of feudalism saw the gradual ascendancy of payment in purely monetary terms. The significance of this development was that the production of use-value, ie. value not for exchange but for direct consumption, a defining characteristic of the feudal age, was beginning to give way as a primary concern. The thirst for money drove the lords to force the serfs to increase production. The increased exploitation of the serfs at this time led to their fleeing the manors for the towns. This is not the only process by which labour necessary for the domestic industry was released. Trade was another factor: for the serfs to escape from the manor meant they could find employment elsewhere.

What is important to note here is that by the interplay of these forces, free labour gravitated towards the towns.

In the towns, denizens, inhabitants formed themselves into craft guilds, specialising in the production of a type of commodity or the other. The unit of the guild was the cell, which included a master craftsman, apprentices and journeymen. Journeymen were apprentices who had graduated but could not yet set up on their own owing to the strict regulations of the guild system, which, also fixed prices of goods for sale usually to merchants.

Now the influx of serfs into the towns increased craftsmen within guilds, and swelled the rank of journeymen in particular. Without a corresponding extension of the market, the result was the exacerbation (intensification) of protectionist policies, especially the arbitrary fixation of high prices. Of course, this did not go down well with the merchants, who were concerned with buying cheap, so as to make more profit. Their reaction here is decisive in the process of the development of capitalism.

The dilemma they faced in wanting to beat the monopoly of the guild system, and imposing some control over the producers led to their beginning the verlags system or putting-out system of advancing raw materials to craftsmen to produce in the country, outside the fetters of the guild system of the towns.

Here we begin to witness the sphere of production being taken over by capital as expressed in the control of producers through domestic industry.

The domestic industry was however yet to create its own contradictions which urged its transcendence. Merchants were soon to complain of the "laziness" of countryside producers resulting in slow pace of work. They also complained of loss of raw materials, purportedly used by the producers to supplement inadequate wages. It was the need for greater control over producers and materials that was to give birth to manufacture, an advance over domestic industry. Manufacture entailed the assemblage of workers under one roof with means of production and raw materials advanced to them.

This new system was efficient in several ways. One, cost of maintaining middlemen who distributed raw materials to and collected finished products from the producers was saved. Two, loss of raw materials was minimised. Three, the possibility of squarely controlling and supervising production was enhanced. Four, higher level of division of labour and consequent increase in productivity became possible. The industrial revolution was to consolidate these advances. But from whence came the enormous requirements of capital and labour necessary for this revolution on a scale that caused the greatest social transformation in the world since ancient times, casting the mould of the modern world,

the capitalist age? This question becomes even more pertinent when we realise like Marx that:

In themselves money and commodities are no more capital than are the means of production and of subsistence. They want transforming into capital. But this transformation itself can only take place under certain circumstances that centre in this, viz: that two different kinds of commodity - possessors must come face to face and into contact; on the one hand, the owners of money, means of production, means of subsistence, who are eager to increase the sum of values they possess, by buying other people's labour-power; on the other hand free labourers, the sellers of their own labour power, and therefore the sellers of labour. Free labourers, in the double sense that neither they themselves form part and parcel of the means of production, as in the case of slaves, bondsmen, etc., nor do the means of production belong to them, as in case of peasant-proprietors; they are therefore, free from, unencumbered by any means of production of their own...The process therefore, that clears the way for the capitalist system, can be none other than the process which takes away from the labourer the possession of his means of production; a process that transforms on the one hand, the social means of

subsistence and of production into capital, on the other the immediate producers into wage-labourers⁷.

IV CREATION OF THE MODERN PROLETARIAT

The free labour that saw through the industrial revolution was the agricultural population separated from land; through primitive accumulation, which in this particular case refers to the historical process of separating the producer from the means of production. This process riddled with reckless coercion and bloodshed included the spoilation of the church's property, the fraudulent alienation of the state domains, the robbery of common lands, the usurpation of feudal and clan property, and its transformation into private property under circumstances of terrorism⁸. Let us look briefly at some of these methods and how they occurred in England; but not before sketching the background against which they happened.

By the end of the 14th century, serfdom had basically disappeared in England. What we had was

⁷See Karl Marx, Capital, Vol.1, Progress, 1986, p.668.

⁸See especially the chapters on "The Secret of Primitive Accumulation" (XXVI), "Expropriation of the Agricultural Population from the Land" (XXVII), "Bloody Legislation Against the Expropriated, From the End of the 15th century. Forcing Down of Wages By Acts of Parliament" (XXVIII); "Thesis of the Capitalist Farmer" (XXIX), and "Genesis of the Industrial Capitalist (XXXI), in Capital Vol.1, op.cit .

a population consisting mainly of free peasant-proprietors. Indeed, in the large domains, the bailif, the agent or steward of the landlord had been replaced by the free farmer who employed the services of wage-labourers, a minor proportion of the entire peasantry who worked on their own pieces of land on the one side, while working also for wages. These, like the rest of the population also still enjoyed the usufruct of the common land; the right to use and derive profit from a piece of property belonging to all in common provided the property itself remained undiminished and uninjured in whatever form. These common lands gave pasture to their cattle, supplied them with timber, firewood, turf, etc.

Basically, the feudal structure remained in place with the soil divided amongst lords, whose power like that of the sovereign depended on the rent-roll, the number of his subjects. But much of all this was to change drastically between later 15th century and early 16th century. The bands of feudal retainers were broken up hurling a mass of free proletarians, those who had only their labour-power to sell to survive, unto the labour-market. This was caused by several factors. The royalty, for instance, in striving for absolute power, hastened the dissolution of the bands. And in the conflict with king and parliament on one side, the feudal lords themselves created a much larger proletariat by forcing the peasants out of the

common lands over which lord and peasantry had same right. The immediate impulse for this eviction derived from the rapid rise of the price of wool. The land was needed for sheep-walks.

The process of the forcible expropriation of the population was to receive a rare boost in the 16th century following the reformation and the attendant spoliation of church property. The Catholic Church at this time owned a great part of the land in England. The church estates were either given to greedy royal favourites, or sold at nominal prices to speculating farmers and citizens. These in turn drove out the original tenants, throwing their holdings into one. In addition, with the suppression of the monasteries, the inmates were hurled out to join the already colossal army of proletarians.

The primitive accumulation also included theft of state lands, on a very large scale. This was particularly so with the coming to power of particular regimes like that of William of Orange. Sometimes these estates were just simply given away, sold at ridiculous fees or even annexed to private estates by crude seizure. All this was done without recourse to any legal etiquette. But by the 18th century, the law in the form of Enclosure Acts had become an instrument for the theft of land. These Acts were simply decrees by which the landlords granted themselves all the people's land as private property.

These methods which resulted in the massive expropriation of the agricultural population also included the sweeping of men off the lands, literally. This was done through the so-called clearing of estates. When there were no independent peasants to be rid of, the clearing of cottages began. Now having created the free labourers they could not possibly be absorbed by the nascent manufacturers at least not as fast as they were created. And on the part of these proletarians forced out of their usual way of life, adjustment was traumatic especially in the face of the harsh realities and oppressive conditions. Largely, therefore, from the stress of the circumstances, many of them were turned into beggars, robbers and vagabonds. Hence throughout the 16th century there were series of legislations against vagabondage; legislations cruelly and callously enforced. The luckier ones employed in the factories also had to endure legislations which ensured their gross exploitation as in the lengthening of the working-day.

Now having fully created the major ingredient, free labour necessary for the rise of industrial capitalism, the stage was set for the industrial revolution. But before we move to that, let us note some pertinent points of interest emanating from the massive expropriation of the agricultural population and the appropriation of the land by a few. Specifically how did the changes on land boost industry?

Although there was now a smaller number of cultivators of land, yet the soil produced more. This was due to several reasons, amongst them the improved methods of culture, concentration of the means of production, greater co-operation, and the fact that the agricultural wage-labourers were put under greater strains to produce more bountifully and more efficiently. By these developments, agriculture was able to feed both industry and its teeming labourers.

Note also that with the 'freedom' of a large part of the agricultural population, their former means of livelihood were now 'free' to be transformed into material elements of variable capital. The expropriated peasants must now buy their value in the form of wages from industrial capital. In the same vein, elements of constant capital were provided for industrial capital through the forcible expropriation. The eviction of the agricultural population therefore set labourers, their means of livelihood, and their material for labour, free, for industrial capital. These besides, it also captured the home-market for industrial capital through the destruction of domestic industry.

Before the peasants were forced off the land, they produced the means of subsistence and raw materials which they themselves utilised, for the most part. But these means of subsistence and raw materials had themselves been transformed into commodities. They were now sold by the large farmers to manufacturers. Things like linen, yarn, coarse wollen stuff, etc.,

which originally peasant families spun and wove for their use were now articles of manufacture. The numerous customers, scattered small producers working on their own account and served by stray artisans were now concentrated in one big pool of market served by industrial capital. So that alongside the expropriation of the peasants and their separation from their means of production, was the destruction of the rural domestic industry. Nevertheless, this era of manufacturing

...conquers but partially the domain of national production, and always rests on the handicrafts of the town and the domestic industry of the rural districts as its ultimate basis. If it destroys these in one form, in particular branches, at certain points, it calls them up again elsewhere, because it needs them for the preparation of raw materials up to a certain point...modern industry alone, and finally, supplies, in machinery, the lasting basis of capitalistic agriculture, expropriates radically the enormous majority of the agricultural population, and completes the separation between agriculture and rural domestic industry, whose roots-spinning and weaving-it tears up. It therefore, also for the first time, conquers for industrial capital

the entire home market⁹.

V. THE INDUSTRIAL REVOLUTION

Before capital was to eventually penetrate the sphere of industrial production it needed a market expanding almost limitlessly, continuously absorbing the ever-increasing volume of products. This condition was met with the introduction of machinery into industry and transport. The effect of this was the drastic lowering of the cost of products. This created the required market and marked the definitive victory of the capitalist mode.

This first occurred in Britain and about the 1780s. For the first time in human history, all inhibitions and shackles were taken off the productive power of human society. Societies now became capable of rapid and limitless expansion of production. But why was it that it was in Britain that the revolution first occurred although much of the developments leading to it as we have traced in this chapter also took place in other parts of Western Europe, like France for instance? This question becomes even more pertinent, once we notice that whatever advantages and advancements Britain may have enjoyed, it definitely did not include scientific and technological superiority. But luckily

⁹Karl Marx, Capital, Vol.1, op cit, pp 700-701

for Britain few intellectual refinements were actually required for the industrial revolution¹⁰.

Writing on the revolution Hobsbawm, for instance, attests that "technical inventions were exceedingly modest, and in no way beyond the scope of intelligent artisans experimenting in their workshops, or of the constructive capacities of carpenters, millwrights, and locksmiths: the flying shuttle, the spinning jenny, the mule. Even its scientifically most sophisticated machine, James Watts rotary steam engine (1784) required no more physics than had been available for the best part of a century"¹¹.

If technological superiority was not the answer, what then was responsible for Britain becoming the first "workshop of the world". Economic historians adduce several reasons including:

- a) That the political climate was right in the sense that a century had in fact passed since a king had been formally tried and executed by the people. This emphasises the freedom and democracy already being enjoyed in Britain at the time
- b) That the agrarian problem had already been resolved with commercially-minded leaders monopolizing the land;
- c) That there was an absence of a British peasantry as such, unlike the case in France, Germany, Russia etcetera.

¹⁰ See T.S. Ashton, *The Industrial Revolution 1760-1830* Oxford University Press, 1948.

¹¹ See E.J. Hobsbawm, *The Age of Revolution*, New American Library, New York, 1962; p.48.

But probably the singular most decisive reason was the fact that Britain possessed an industry very aptly suited to pioneering the revolution, and in addition, a conducive economic conjuncture which not only allowed but encouraged the industry. We refer here to the cotton industry and to colonial expansion, facilitated by Britain's outstanding sea-power. They shipped slaves from Africa and cotton goods from India. But when the supply of cotton in particular was interrupted owing to war and revolts in around India, British industries leaped in to produce cotton goods with raw materials supplied by plantations worked by slaves. In turn the cotton checks were exported to the planters; to Africa, the Americas, and to various other parts of the globe. The cotton industry promised limitless expansion. The industry provided prospects so good that it was almost impossible for entrepreneurs to resist.

Fortunately...the new inventions which revolutionised it—the spinning-jenny, the water-frame and the mule in spinning, a little later the power loom in weaving were sufficiently simple and cheap, and paid for themselves immediately in terms of higher output. They could be installed, if need be, piecemeal, by small men who started off with a few pounds...The expansion of the industry could be financed easily out of

current profits, for the combination of the vast market conquests and steady price inflation produced fantastic rates of profit¹².

Such was the enormous lure of the industry which eventually led to tremendous achievements which culminated in the final victory of capitalism. This was easy since the pre-requisites of the mode were already present as our earlier discussions show.

VI SUMMARY

Our business in this chapter has been to trace the locus leading to the emergence of the capitalist mode of production. In doing this we traced the history of capital right from its earlier forms as usury and merchant capitals; then from its use in domestic industry to the development of manufacturing. All these developments still within the confines of pre-capitalist modes.

From here we then dealt with the acts of primitive accumulation, freeing labour from the land pre-requisite for the development of capitalism which thrives on the exploitation of surplus value from free labour. This developments coupled with some peculiar advantages of Britain in the 18th century ushered in the industrial revolution, signalling the eventual victory of the mode from which the concept of bourgeois rationality derives.

¹²See E.J. Hobsbawm, The Age of Revolution, op cit, p.54.

The rationale for tracing the development of capitalism in the Occident is to see how this contrasts with the Nigerian case. The history of capitalism in each case has consequences for the development of productive forces, which in turn determines the strength or otherwise of bourgeois rationality in society. We now proceed to examine the concept, delineating its basic tenets in accordance with the western experience.

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CHAPTER FOURBOURGEOIS RATIONALITYI. INTRODUCTION

Much of what was done in the last chapter was to prepare the grounds for the definition and delineation of our main concept in this work; that of bourgeois rationality. This concept derives from the very dynamics of the capitalist mode of production. But how?

Perhaps, we should begin by asking: What is the basic character of capital; how is it defined; how is it that particular capitals co-exist in the contradictory manner in which they must without subverting social capital; how is it that social capital is continuously reproduced on an extended scale when capitalism is actually self-contradictory? Once we begin to find answers to these questions we are already in the process of defining and understanding the concept of bourgeois rationality. This we shall do as section one in this chapter.

Section two will be concerned with delineating the basic tenets of the concept as the experience of capitalism in the Occident reveals. In other words, we shall be demonstrating in what practical, tangible and concrete ways we find the expression of bourgeois rationality manifested.

SECTION ONE

II. THE EMERGENCE OF BOURGEOIS RATIONALITY

With the triumph of the capitalist mode of production what emerges is a completely new society. A society dominated by capitalist production; one in which capital has taken over production, separating the producer from both his product and means of production. He now lives by selling his labour in a production process which is geared towards exchange. Products are first of all exchange values before they are anything else, hence, they are commodities. Society approximates a market. Each is a proprietor, enjoying exclusive right to some property, even if merely labour power. Marx describes the emergent society as the

...Eden of innate rights of man. There alone rule Freedom, Equality, Property and Bentham. Freedom because both buyer and seller of a commodity, say labour power, are constrained only by their freewill. They contract as free agents, and the agreement they come to, is but the form in which they give legal expression to their common will. Equality because each enters into relation with the other as with a simple owner of commodities and they exchange equivalent for equivalent. Property because each disposes, of what is his own. And Bentham because each looks to himself.

The only force that brings them together and puts them in relation with each other, is the selfishness, the gain and private interests of each. Each looks to himself only, and no one troubles himself about the rest...¹.

In this interaction of individualistic actors no differentiation is made between labour and capital which confront each other as if they were equals. But this equality is more apparent than real, for once you leave the sphere of circulation into production, you find that labour is paid much less than it gives in the process of production. The surplus value which it generates swells capital while labour itself diminishes. All this much is clear.

But since each capitalist acts in his own interest solely, how is it that the illusion of freedom and equality is created and maintained, operationalising the law of value and enhancing the extended reproduction of social capital? The answer lies in the exercise of bourgeois rationality, which is also what ameliorates the necessary contradictions between social capital and particular capitals, and those between particular capitals in their competition. Being equal, free and selfish, particular capitals naturally exist together only as competitors, each striving to outdo the other

¹Karl Marx, Capital, Vol.1, Progress, Moscow, 1977 p.172.

in the pursuit of self aggrandizement. This competition is what activates the law of value, resulting in greater productivity and the development of productive forces. In the end society benefits as a whole, for production is then geared towards greater cost-effectiveness, efficiency and better technology, in the continuous struggle to corner the market. But being only self-interested the competitors mobilise all possible means to secure advantages, and by that strain to negate the very conditions that maintain and govern the competition. This calls for restraint, because in their search for ever-increasing profit, particular capitals tend always to subvert social capital. There was an example of this at the beginning of the industrial revolution in Britain when particular capitals exploited labour to a point where the reproduction of labour became endangered.

Let's drive the import of this home. Remember that capital is self-augmenting value and labour is its sole means of augmentation. Capital therefore, latches on to labour for self-augmentation, as AIDS² virus to the human body. This simile is deliberate. We explain. The AIDS virus can only survive in the human body. It needs it to multiply, progressively taking over and demolishing the immune system of the victim

²This is short form for the Acquired Immune Deficiency Syndrome.

until he dies. But as he dies, the virus dies, too. So it is with capital and labour. Without labour capital cannot survive, because it can no longer augment its value, which means it is no longer capital. Capital, therefore, perishes when labour perishes.

It is thus rational and in fact imperative for the bourgeoisie as a whole to ensure labour's reproduction for the sake of social capital. For left to individual capitals, labour could be exploited to death to maximise profit. Marx deals with this in Capital. He in fact captures the contradiction neatly,

Après moi le deluge! is the watchword of every capitalist... capital is reckless of the health or length of life of the labourer unless under compulsion from society. To the outcry as to the physical and mental degradation, premature death, the torture of overwork, he answers; ought these to trouble us since they increase our profits?³

So that again we see that if social capital must thrive, there is need for collective restraint on the part of the bourgeoisie as a whole. It is only when this is done that the extended reproduction of social

³ See Karl Marx; Capital, Vol.1, op cit, p.257.

capital is not jeopardised, as it is naturally prone to being. This is what renders bourgeois rationality clearly imperative in the interest of the bourgeoisie. Perhaps we can already discern that bourgeois rationality has to do with the law of value; the conditions for its operationalization. For it is as the law of value functions that social capital is reproduced on an extended scale. It is therefore, in order to dwell a bit on this law. What really is it?

The law of value is the economic law of commodity production. This is the law which determines which commodities are produced and exchanged in correspondence with the quantity of socially necessary labour used in producing them. When the production relations between persons as commodity bearers are realised through the exchange of the product of their labour on the market, the law of value operates objectively. This is the case under the capitalist mode of production.

Under capitalism, when commodity production is pervasive the law functions objectively, regulating commodity production spontaneously. It regulates the distribution of labour and the means of production through the spontaneous fluctuations of market prices resulting from changes in supply and demand. When supply exceeds demand, price falls below the value of commodity. When demand exceeds supply price falls above the value of commodity. A coincidence of price and value occurs only when demand corresponds to

supply. As Kazlov points out: "These fluctuations of prices around values, being the only possible manifestations of the law of value on the spontaneous market also call forth changes in production since they determine the interest of commodity producers in the production of any commodity"⁴.

The significance of this for the development of productive forces; one of the greatest, if not the greatest advantage of capitalism, is fairly obvious. But we will not take it for granted. In production, enterprises employ different technologies and labour with different skills. The result is that different amounts of labour time are used for the production of a unit of output. Where productivity is high, and the unit value of the product is lower than the social value, the producers make a profit: unit value minus social value (which will be positive).

But where productivity is low, and the unit value of product is higher than social value, the producers suffer a loss: unit value minus social value (which will be negative). To beat the necessary competition of the market, it is therefore imperative for each producer to continuously strive to increase productivity by reducing expenditure on labour per unit of output. It is this that forces enterprises to improve on technology and skills of workers. The result is

⁴See G.A. Kazlov (ed.) Political Economy: Capitalism, Progress, Moscow, 1977, p.101.

the development of productive forces, and an increase in the productivity of social labour. In the end social capital is reproduced on an extended scale.

But the law of value cannot properly operate without bourgeois rationality, for in the absence of collective restraint particular capitals act quite naturally in a manner that negates the conditions necessary for the law to operate. This cannot but be so for even by definition particular capitals are meant to cater only for their selfish interests and not for the social. Discipline is therefore necessary to restrain particular capitals if social capital must end up being reproduced on an extended scale. This is what bourgeois rationality is all about; and we see that it emerges from the very dynamics of the capitalist order, especially the intrinsic character of capital in thirst for ever-increasing profit.

But in what specific ways does this concept manifest in bourgeois societies as in Western Europe and the United States? In what forms do we witness the necessary restraints by particular capitals to ensure the extended reproduction of social capital? These are the tenets we deal with in the next section. In them we find how particular capitals limit their selfishness for the benefit of social capital: so it can be reproduced on an extended scale.

SECTION TWO: THE TENETS

III. THE RULE OF LAW

One of the main questions we address here is: How does the rule of law enhance the extended reproduction of social capital? To answer this correctly we must understand the nature of law, or at least, bourgeois law⁵. And understanding the nature of a thing or phenomenon includes understanding its genesis, seeing the subject in its becoming. For law, this requires that we return to the basics of the capitalist mode, at least its fundamental presupposition.

In doing this, we prefer to go back to first principles, for the sake of clarity. So we begin with the question: What is capital? Capital is self-augmenting value. Its defining characteristic is its ability to reproduce itself but with an additional value. But the only commodity that is capable of producing this "additional value," technically referred to as surplus value, is labour power. Material left on its own remains unchanged. It is only when labour is applied to it that it transforms it, adding something "additional".

⁵We make this clear distinction here because we are conscious that there are several kinds of law, ranging from the divine to the mundane, the cosmic to the positive.

But the availability of labour-power presupposes that those who possess it can freely dispose of it. This comes out well enough in the works of Marx and Weber⁶. The availability of labour-power also presupposes that the possessor is constrained to sell it, rather than a commodity embodying his labour. In other words, the seller must be propertyless as such. This necessarily implies the removal of requirements for the production of use-value.

All precapitalist modes of production are associated with the unity of labour and production of use-value (although not necessarily to the complete exclusion of exchange values). But with capitalism we find the dissolution of the property relations in which use-value production is predominant, as in the "freeing" of peasants from the land. What results is a mass of people who have only their labour-power to sell to live. Commodification becomes pervasive. Man is first of all a commodity bearer even if only of labour power. The emerging society is therefore one of commodity producers and exchangers.

Now what are the presuppositions of this generalised commodity production and exchange. First, it presupposes interaction: that commodity bearers must interact. This has to be so for private interests are already socially determined. Persons have become

⁶Capital, op. cit., by Karl Marx and Marx Weber's The Theory of Social and Economic Organisations, Introduced and Edited by Talcott Parsons, Free Press, New York, 1974 are particularly useful in this regard.

interdependent due to commodity production. This is so because commodities have a dual nature. For their producers, they are exchange-value; for their buyers, use-value. And to acquire products for use, one must sell one's commodities to others.

Another presupposition of generalised commodity production and exchange is freedom. Now, although everyone must take interest in the use-value of the commodities that someone else produced, nobody appropriates by force. Everyone disposes of his commodity voluntarily. Note however, that though free, all are under compulsion to exchange since that is the only way one survives. But this compulsion does not negate the freedom to exchange, to dispose of one's commodities to whoever one chooses. The point is that the exchanger satisfies his own interest only to the extent that he satisfies the interest of another. Nevertheless, the commodity bearer still posits freedom and self-determination in the act of exchange.

A third presupposition following from generalised commodity production and exchange, is that each is regarded as a proprietor; a possessor of private property. But if producers freely dispose of their property, it means that their right to private property is recognised. It is immaterial whether that private property is merely labour-power. Obviously this is awkward, especially once you realise that no physical distinction can really be made between labour power as commodity and the owner.

So that selling one's labour-power is really tantamount to selling oneself. But no matter. In any case labour power sale is only at intervals, at the end of which the owner constantly re-emerges as a proprietor to freely enter the market again, and again.

One more presupposition would do for now.

Equality. Within the context of generalised commodity production and exchange each is a buyer or seller; each stands towards the rest in the same relation. All are levelled into a common denominator, buyer, seller or exchanger. In addition to being equal in this sense commodity bearers exchange equivalents. This expresses equality. And so does the act of exchange itself.

What we have therefore is a society of interacting people who enter into exchange relations from the compulsion to fulfil their needs and they do this freely and willingly. Each approaches the market as a commodity bearer even if only of labour power. But they also approach the market as bearers of rights, like the rights to exchange. This is made explicit in their will to exchange. The result really is a society of contractors who mutually recognise each others' rights, including the right to property. These rights become real with exchange. Exchange unites their common will (the will to exchange, to assert property rights) and their common rights (the right to property and to freely dispose of it). The undertakings to which they bind themselves

in the process and the agreements they reach, recognising each others' rights is what constitutes law.

With the generalisation of commodity production and exchange, social relations become legal. The legal form emerges, following the commodity form. The correspondence between the two is so interesting that we cannot but dwell on it briefly. Take the commodity, justifiably described by Marx as being mysterious, being dualistic: use-value and exchange-value rolled into one. Notice that as use-value this object has specific determinations as a unique embodiment of concrete labour. But as exchange-value, the determinations disappear, and so do qualitative differences. If there is any difference left at all, it is that of quantity. This transformation is underscored by the use of money, a universal equivalent expressing the value of commodities and underlying their equality. But this abstraction of equalising commodities rests in fact on the abstraction of concrete labour. Exchange-value is possible only because the specific determinations of concrete labour are obliterated, so that labour becomes an abstraction differentiated only quantitatively.

These have their parallel in the legal form. But here law takes the place of money, abstracting and equalising the commodity bearers themselves. Commodity exchange requires that the specificities of commodity-bearers be eliminated as well. For exchange to be

possible commodity bearers must be transformed into legal subjects who are free and equal and as such can enter into contracts. The legal form, like the commodity form, signifies the resolution of content into form, and quality into quantity. The difference is simply that in the case of the commodity form, it is commodities that are abstracted and equalised, while in the case of the legal form it is the commodity bearers and their rights that are abstracted and equalised.

That the abstraction of the legal subject is linked to the commodity form is easier to see when we remember that the possibility of the abstraction arises precisely because of the flux of the market where the producer is forever changing roles, now buyer, now seller of this or that commodity, now bearer of this privilege or that right, now the responsibility of obligations. It is the flux of values in the market that produced the idea of the unchanging bearer of rights, the disembodied prototype of the commodity bearer⁷.

Now along with the commodity form, the legal form equalises labour and capital, maintaining unequal exchange but disguising the expropriation of surplus value. This is the condition necessary to minimise,

⁷Claude Ake, The State As A Capitalist Phenomenon, (Undated Manuscript ; p.54-55.)

if not eliminate the intervention of force in the labour process so that the law of value operates. The illusion is necessary, for if exchangers, especially labourers were confronted with the reality of unequal exchange, there will be no exchange in the first place.

Exchange therefore, **presupposes** the abstraction of persons relevant only as mere "wills" entering into transactions, asserting property rights and voluntarily disposing of their property. Resolved thus into wills, they are equal and free and above all, have a "common interest in the general acknowledgement of their will and in its realisation. It is the conjunction of wills which puts the persons behind the commodities into legal relations as abstract juridical persons. So the peculiar quality of law in market society is quite clear. It is and has to be universalistic, abstract and formalistic"⁸.

But these are actually expressions of the rule of law. We see then how this rule operationalises the law of value. The operationalisation of the law of value and the rule of law therefore go together. The rule of law makes possible the necessary formal equality and freedom, which enables the law of value to operate. That way accumulation and the extended reproduction of social capital are ensured.

⁸Claude Ake, *The State As...*, op cit, p.62.

The rule of law also establishes the domination of capital over labour by guaranteeing the primary right of private property and the right to freely dispose of it. For the labourer, his property is just his labour power which he must sell to survive. So that what is actually guaranteed for him is the compulsion to sell his labour power. But when he sells it to a capitalist, as he must, he is reduced to a mere factor of production, subjugated to capital. Furthermore, for the capitalist, the law guarantees the right to appropriate the surplus-value produced by the labourer. This is how rule of law guarantees the domination of capital over labour.

To be sure the rule of law also guarantees that the law is not reduced to being a mere tool of capital, or any of its factions for that matter. This for instance, is the only way the contradictions between particular capitals can be mediated. The law is in fact, abstracted from the capitalist class so that it protects everyone including labourers. The law also equally registers the gains of labour and capital. Indeed, it is precisely because of its autonomy that law serves the interest of social capital. All this much should be clear by now. What needs clarification now is how this autonomy is enforced. This is where the question of the state comes in.

Notice that with generalised commodity production and exchange there emerges a social solidarity.

Commodity exchange necessitated by differences in disposition, products and needs of persons gives rise to division of labour. And as Emile Durkheim notes the most remarkable effect of this development "is not that it increases the output of functions divided, but that it renders them solidary"⁹.

This solidarity resulting from the nexus of exchange relations is indeed a coercive force, which acts as if independent of its producers and on which they must depend. A chain of mutual dependence evolves which binds producers together and yet appears objective, independent and autonomous. It is this force that economists generally refer to as the impersonal market forces. This is what Adam Smith in the Wealth of Nations, describes as the invisible hand. In the German Ideology Marx and Engels pin-pointed the nature of this "invisible hand," especially its apparent autonomous appearance and character:

the social power...which arises through co-operation of different individuals as it is caused by the division of labour, appears to these individuals, as if their co-operation is not voluntary but has come about naturally, not as their own united power, but as an alien force existing

⁹Emile Durkheim, The Division of Labour, Introduced by Lewis Coser, and Translated by W.D. Halls, Free Press, New York, 1984; pp.-60-61.

outside them, of the origin and goal of which they are ignorant, which they are thus no longer able to control, which on the contrary passes through a peculiar series of phases as stages independent of the will and the action of man, nay, even being the prime governor of these¹⁰.

This prime governor is the state but in its rudimentary form. It develops into the state, proper, with the emergence of juridical relations, which necessitates a new form of compulsion which complements the compulsion of market forces. Indeed, as commodity bearers simultaneously secure their rights in law, they submit to an executive power, the state. But being self-interested, equal and free everyone is concerned that this institution, which enjoys a monopoly of physical coercion for the enforcement of contracts is not instituted in a manner disadvantageous to one relative to others. The state thus emerges as an independent public force which empowers and restrains all equally. This has both economic and political implications. The economic we consider here.

The state as a public force belonging to all equally, implies that the institutions of physical coercion must be governed by bureaucratic norms, in

¹⁰ Marx and Engels, The German Ideology, Progress, 1976; pp. 77-78.

accordance to the rule of law so that its use is completely depersonalised. Otherwise social capital is endangered. Much of this is implicit in the discourse so far, but let us illuminate possible shadows of doubt.

It is true that the capitalist mode of production derived its impetus from the monopolisation and privatisation of the control of coercion, and the massive intervention of force in the labour process. This is how it was with primitive accumulation. But once capitalism is launched, this character of primitive accumulation comes into conflict with the maintenance of capitalism and its laws of motion. Primitive accumulation tends especially to annul competition which is very central to capitalism. As Altvater points out "competition ... is precisely the form of the immanent laws of capitalism. It is... a real and comprehensible necessary moment of the establishment of total social capital"¹¹. The point really is that social capital exists only as competing particular capitals. So that once the organisation and control of physical coercion is privatised and employed in the labour process, the state of competition ceases.

¹¹ See Elmar Altvater, "Some Problems of State Interventionism", in Holloway J. and Piccioto S (ed.) State and Capital: A Marxist Debate, Edward Arnold, London, 1978; p.41.

To be sure, we are not saying that once capitalism is on its feet, so to speak, the role of physical coercion diminishes. No. It in fact remains critical for the maintenance of capitalism. It necessarily intervenes to ensure the existence of the conditions which ensure the maintenance of capitalist production relations. For instance, physical coercion is what is employed to enforce contracts and maintain the contractarian norms of the market. It also protects private property from the wrath of labour and so on. The point that is being made is that the new objective necessities, following the emergence of capitalism change the organisation, control and technique of coercion through the mediation of generalised commodity production and exchange.

What is necessary with the mode of production is for the labourer to be obliged to sell his labour power to the capitalist who buys it to swell his capital. Labour thus creates capital. But while capital is being reproduced on an expanded scale, the labourer remains what he was at the beginning of the transaction, a mere owner of labour-power. He is just paid enough to reproduce himself ready for another round of exploitation. Capital and labour thus reproduce each other continuously.

Viewed against this background, it is easy to see why employment of coercion in the labour process becomes counterproductive. For one, it immediately negates exchange relations, at least, in the relevant sense

of persons freely entering into contracts. It also immediately dissolves the illusions of equality and freedom, under the cover of which surplus value is extracted. Necessary contradictions between particular capitals and between particular capitals and social capital become difficult to mediate. Besides, if the capitalist class monopolises the coercive resources to advance its own interest, it immediately constitutes itself into an army of prison keepers for the rest of society. This precipitates a state of siege, militarising social life. The nature of society drastically changes. It would, for instance, no longer be the typical capitalist society of homo economicus but that of the medieval homo militans.

These are changes clearly inimical to the conditions necessary for the operation of the law of value, namely the rule of law. It is therefore in the interest of social capital for the bourgeoisie to exercise restraint, submit to the rule of law and not employ coercion in the accumulation process, though it may have been more profitable and expedient for particular capitals to do so.

Let us now turn to the political manifestations of the rule of law: liberal democracy. Because of the importance of this correlate for the maintenance of the conditions necessary for the expanded reproduction of capital, we would wish to treat it separately. This would afford us the extra liberty of locating it

within the context of the practical realities from which it emerged. This should further enable us to see why and how it is an expression of bourgeois rationality.

IV. LIBERAL DEMOCRACY

Our main duty here is to show that liberal democracy reinforces ideologically, the rule of law. But how does it do this? By reinforcing the principles of formal freedom and equality. These are the tenets which activate the law of value, and ensure the extended reproduction of social capital. It is only in this sense that liberal democracy as the rule of the bourgeoisie comes out clearly enough in relation to the concept of bourgeois rationality. Liberal democracy, however, did not emerge without struggles. It was really in attempts to contain the emergent contradictions in the bourgeois polity that it was established. Let us begin with the struggle for political ascendancy of the bourgeoisie over the feudal order. This struggle appeared most visibly as the clash of industry and landed property. In England in particular, it took place in parliament as the controversy between the Whig and Tory. In parenthesis, the whig was a member of the English political party or grouping which opposed the succession to throne of James, Duke of York (1679-80) because he was a Catholic. As a group the whig stood for a limited monarchy. They represented especially, the moneyed middle-class, the emerging bourgeoisie.

In the late 18th and early 19th centuries, the whigs represented the desires of industrialists. On the other hand, the Tory was a member of the English political party that opposed the exclusion of the Duke from the royal succession. But really, what we should note is that as a group, it stood for the conservative interests of the old regime, the feudal order.

This struggle took several forms. It manifested, for instance, in the whig's struggle against protectionism and the repeal of the corn laws. These were laws introduced in Britain in 1804 to protect domestic farmers against foreign competition, through the imposition of heavy duty on foreign corn. The laws were forced to be repealed 42 years later. This pushed down the high price of corn, making it easier to feed the working class in industry. In economics we witness the struggle in the Malthusian scare of population outstripping food supply unless land was allowed to be worked capitalistically. Even in religion it showed itself as traditionalism of the Church of England versus the Methodism (of the bourgeoisie).

However, in the pragmatic pursuit of its interests, sometimes we found the emergent bourgeoisie siding with either nobility or monarchy. Indeed, as Marx and Engels observe

Each step in the development of the bourgeoisie was accompanied by a corresponding political advance of that class. An oppressed class under

the sway of the feudal nobility, an armed and self-governing association in the mediaeval commune; here independent urban republic (as in Italy and Germany), there taxable "third estate" of the monarchy (as in France); afterwards in the period of manufacture proper, serving either the semi-feudal or the absolute monarchy as a counterpoise against the nobility, and, in fact, cornerstone of the great monarchies in general, the bourgeoisie has at last since the establishment of modern industry of the world market, conquered for itself in the modern representative state, exclusive political sway¹².

But what was to be the peculiar nature of bourgeois rule? With the abolition of feudal property relations and the institutions that supported it, what was to be the specific character of the democracy that the bourgeoisie essayed for and couched in their slogans of "Liberty" and "Equality". In any case, since the capitalist society was one ordered by contractarian norms whatever else this democracy entailed, it would uphold the principles of the market. Part of these

¹²Marx and Engels, "Manifesto of the Communist Party" in Selected Works, Progress, Moscow, 1968; p.37.

C.B. Macpherson¹³ summarised as beliefs that:

- i) What makes a man human is freedom from dependence on the will of others.
- ii) Freedom from dependence on others means freedom from any relations with others except those relations which the individual enters voluntarily with a view to enhancing his own interest.
- iii) The individual is essentially the proprietor of his person and capacities for which he owes nothing to society...
- iv) Although the individual cannot alienate the whole of his own person, he may alienate his capacity to labour.
- v) Human society consists of a series of market relations...
- vi) Since freedom from the wills of others is what makes a man human, each individual's freedom can rightfully be limited only by such obligations and rules as are necessary to secure the freedom of others.
- vii) (Thus) political society is a human contrivance for the protection of the individual's property in his person and goods, and for the maintenance of orderly relations of exchange between individuals regarded as proprietors themselves.

¹³ C.B. Macpherson, The Political Theory of Possessive Individualism, Oxford University Press-, London, 1962; pp 263-264.

But the specific character of this "contrivance" was to be determined by practical experiences:

The French Revolution (had) brought home forcefully to everyone the paradox of democracy, namely its two central values, liberty and equality which come into conflict at critical points. There is no democracy where there is no liberty for self-expression or choice. At the same time there is no equality for as inequality increases it reduces human relations to subordination and domination. The French Revolution and Jean Jacques Rousseau revealed rather dramatically the paradoxical relation between these two central values of democracy by leaning heavily towards equality. They gave Europe a taste of what it would be like to take the idea of equality and the correlative idea of popular sovereignty seriously. Bourgeois Europe was horrified. The idea of a popular sovereign insisting on equality and having unlimited power over every aspect of social life was unacceptable. For such power was a threat to the institution of private property as well as the conditions of accumulation...¹⁴

In England, in particular, a political crisis was precipitated by the agitation of workers for political rights. These rights had been limited to the propertied alone for fear that an extension to the non-propertied,

¹⁴Claude Ake, "The African Context of Human Rights", in J. Ihonvbere (ed.), The Political Economy of Crisis and Underdevelopment in Africa: Selected Works of Claude Ake, JAD, Lagos, 1989.

the workers, might subvert the bourgeois order. And besides, there was the French experience. Something had to be done to contain the crisis and yet not jeopardise conditions for accumulation and reproduction of social capital.

The political party presented the answer. The system was to make it possible to have universal suffrage while containing working class hostility. Having extended suffrage the problem was that of limiting workers' power lest it endangers bourgeois property. This problem was resolved through the caucus system (or the so-called primary elections). By this system, the central committee (made up of the bourgeoisie) selects and imposes its candidates upon the electorate. This way, the bourgeois order is secure, following the illusion created that all have equal rights. Each one appears to have equal chance of voting and being voted for. The loyalty of even the exploited classes is thus garnered. The illusion is reinforced by the bureaucratic manner of administration of office in strict conformity to the rule of law: treating everyone as being formally free and equal, possessing same opportunities.

This way the idea of the state as belonging to all and to no one or group of persons in particular is accepted by all. This is even moreso since the apparatuses of state always appear to be merely in the custody of persons who have won the honour of being its custodians in a free and fair election, where anybody could have

won. This impression of general ownership and fairness is even further strengthened by the periodic abdication of the office-holders, making way for competition towards the choice of a new set.

This is how liberal democracy works, reinforcing the principles of formal freedom and equality upheld through the rule of law. It contributes to the stability of the bourgeois order, maintaining the conditions of accumulation. The labourer basks in the illusion of being as equal and free as anybody. This way his continuous exploitation is assured; the perpetual operationalisation of the law of value ensured and the extended reproduction of social capital guaranteed.

To summarise, in the market commodity bearers appear free and equal. Labour-power appears fully paid for in its exchange with capital. The action of exchangers are objectively governed by the rule of law. This is exactly what liberal democracy replicates in the political sphere. The objectivity of law is reproduced in politics. The conditions for competing for office are formally the same for all. The laws equally apply. The apparent equality in the chances of attaining political office reinforces the impression of objectivity, lending legitimacy to those who emerge winners in the competition.

Liberal democracy thus clearly serves the ideological role of reinforcing those conditions of formal freedom and equality necessary for the law of value to operate. So that once coercion is immersed in political

competition, negating the conditions of formal freedom and equality, we are already witnessing a negation of this aspect of bourgeois rationality; much in the same way that coercion annuls the rule of law in the economic sphere.

Bourgeois rationality thus demands that particular members of the bourgeoisie in spite of their selfishness, discipline themselves to abide by liberal democratic principles for the benefit of their class as a whole. For the sake of the social, the particulars must impose a restraint on their selfishness to obey the rules of the game. By that they help to ensure the extended reproduction of social capital, by enabling the operationalisation of the law of value; for this law itself rests on the principles of formal freedom and equality that liberal democracy both inculcates and reinforces.

V. THE MODERN CREDIT SYSTEM

First some clarifications. Though the sphere of production is critical for capitalism being where surplus-value is created or more precisely expropriated from labour, there is yet another sphere of operation of industrial capital necessary before the realisation of the surplus-value expropriated during production. Capital is thus said to have a necessary circuit of two separate spheres which it must complete in the process of its reproduction. In addition to production

the other sphere is that of circulation which is indeed the first stage of the circuit. At this premier point, money capital is spent in the purchase of the means of production (denoted M_p), and labour power (L_p). As a simple formula, this stage is expressed thus:

$$M-C \begin{cases} \nearrow L_p \\ \searrow M_p \end{cases}$$

The main purpose served by movement of capital at this stage is the transformation of the money form into the commodity form. This commodity form comprising of the means of production and labour power, is what yields the second stage of the movement of capital—the production of value and surplus value. This is denoted by...P...to show that the process of circulation is broken.

The next stage is that when capital enters the sphere of circulation again but this time as manufactured goods to be sold on the market. Here capital changes from commodity form (denoted C' to reflect the increase due to surplus-value) into money form again, (but this time, money is denoted M' to reflect the increase due to profit). The entire circuit could then be expressed thus:-

$$M-C \begin{cases} \nearrow L_p \\ \searrow M_p \end{cases} \dots P \dots C'-M'$$

Once this process is completed it resumes all over again. That's how social capital swells. Now notice

that industrial capital thus reveals itself as made up really of three parts, money capital, productive capital and commodity capital. But it is productive capital which really produces the surplus value which fattens social capital. Thus you can say that the other forms of capital are merely supportive. In other words, "the functional form of productive capital is the specific, basic form of industrial capital"¹⁵. Notice that this is one of the distinctive marks of industrial capital as opposed to earlier forms like merchant capital which existed only as money and commodity forms or in fact loan capital which assumed only money form. None of the latter two, included the productive arm.

However, this is by the way. The pertinent fact that we want to crystallise from the above discussion is that industrial capital necessarily circulates in two spheres: those of production, and circulation. And the periods of circulation and that of production mutually exclude each other. Besides, as Marx has rightly observed

During its time of circulation, capital does not perform the functions of productive capital and therefore, produces neither commodities nor surplus-value. If we study the circuit in its simplest form, as when the entire capital-

¹⁵ See A Dictionary of Political Economy, Progress, 1985; p.162.

value passes in one bulk from one phase into another, it becomes palpably evident that the process of production, and therefore also the self-expansion of the capital-value are interrupted as long as its time of circulation lasts, and that the renewal of the process of production will proceed at a faster or a slower pace depending on the length of circulation time...ie. the more the time of circulation is equal to zero, or approaches zero, the more does capital function, the more does the productivity and the self-expansion of its value increase¹⁶.

The circulation period thus necessary is yet a drag on the expanded reproduction of social capital in the sense that it ties down productive capital. Social capital is not directly being expanded for the time that capital is in circulation because "capitalists who sell...and...buy create neither values nor products". The point being made is that the faster capital is released from circulation and returned to its productive base the better for the extended reproduction of social capital. For while money-capital and profit remain tied down in commodity form awaiting their realisation in the market, the production base is denied capital for functioning. At such times surplus value is thus not being expropriated, and this is

¹⁶Karl Marx, Capital, vol.1, op cit; pp 127-128.

against the very logic of capital which is always in thirst for more and more profit. This, therefore, poses a problem for it inhibits the extended reproduction of social capital. How is this problem ameliorated in the West? We attend to this question shortly after raising a few other related issues.

Strictly with reference to the circulation arm of the circuit of capital, there are two sub-divisions, namely, the section that deals with conversion of money to commodity $M-C$, at the beginning of the circuit; and the section that deals with the conversion of commodity to money, $C'-M'$. Between them there is a critical difference which has nothing to do with the forms of commodities and money, but with the capitalist character of production.

Intrinsically both $C'-M'$ and $M-C$ are mere conversions of given values from one form into another. But $C'-M'$ is at the same time a realisation of the surplus-value contained in C' . $M-C$ however, is not.

Hence selling is more important than buying¹⁸.

But this is really putting it mildly because the point of selling the finished commodities is actually the consummation of the process of capital, where the gains are actualised and concretised. Besides, selling is what ensures that money is returned to the productive part of the circuit as quickly as possible

¹⁸ Karl Marx, Capital, op cit, p.130.

to increase the rate of rotation of capital and hence the expanded reproduction of social capital. But most importantly, it is only through selling that the commodities are consumed. But consumption is what shores up demand. Or put another way, if products are not sold, they remain unconsumed and that means there is no encouragement for more production; capital, therefore, gradually collapses.

Now by its very logic, capital enriches a few, and impoverishes the greater population, who constitute the bulk of the buying public. So that here emerges an interesting contradiction. This contradiction is more clearly seen especially with the production of heavy goods, like cars for instance, which are not easily affordable. Again, capital confronts a dilemma. How does it encourage consumption and push up demand, in spite of these odds?

We shall see in a moment how these problems are ameliorated after we have mentioned one last one, again associated with the circuit of capital. Capital is naturally expansive; this is true of it in more sense than one. But the particular manifestation of its expansive character is its regular search for new markets, to buy and to sell and make higher gains. This means that distance often separates points of purchase and points of utilisation of commodity. This poses a problem for transaction, as expressed, for instance, in the inconvenience of carrying cash over distances.

Now all these problems that capital must face in the course of its circuit of reproduction are adequately ameliorated by modern credit facilities and services. But the functioning of this system so inevitable in the reproduction of social capital itself rests on bourgeois rationality. To fully appreciate and prove these points we must go to greater detail.

We may trace the origin of credit to the uneven production among different producers within the same community. This was usually as a result of some producers accumulating surplus while some others worked at a deficit. To be sure uneven development does not automatically lead to the development of credit. Far from being a natural institution, the development of credit is rather a product of particular social relationships. For instance, a society that functions cooperatively needs no credit. The ones with surplus aid those in need. This was the case in primitive societies.

But as these societies disintegrated along with the development of exchange relations, the spirit of mutual aid receded. The development of commodity production gave impetus to the development of a money economy. Money was to become both a means of exchange and an object of exchange in usury. All these facilitated trade. And with the development of international trade we began to witness the rudiments of banking operations, especially with the emergence of money-

changers at fairs. International trade created an intrinsic need for credit: the separation between the time of purchase and delivery; the separation in space of buyer from seller; the need to transfer substantial amounts of money over long distances, etc. All these gave rise to commercial credit or circulation credit. And we started to witness the use of bills of exchange and letters of credit. Circulation credit, to be sure, did not directly enlarge social capital. And this for obvious reasons: the credit was not being deployed productively for the expropriation of surplus-value. This was only to occur with the emergence of investment credit, itself a product of the era of industrial capitalism. Investment credit enlarged the sphere of the operation of capital. For instance, otherwise "sterile" money was now advanced into production in industry. This is how credit began to enhance the extended reproduction of social capital. The credit system allows the capitalists to expand social capital without they themselves owning capital of their own.

Beyond this, credit facilitates the optimum and maximum utilization of capital in the interest of social capital. Let us explain. Notice that during production, money capital is often turned into "unproductive" money. Such unproductive money may include:

- a) Depreciation Fund (money capital needed to renew the fixed capital of an enterprise is usually

accumulated only after several years. The accruing depreciating fund therefore, over the years may therefore, lie fallow during the period).

- b) Wages Fund (money put aside for the payment of wages would likewise lie "waste" for as long as the interval between days or payment. This could be a week, a month or more).
- c) Consumption Fund (The same fate of unproductivity also befalls the money set aside by the capitalist for his own consumer needs).
- d) Accumulation Fund: (The share of profit reinvested in an industry is not usually used up in its entirety at the start of a production cycle. The capitalist often awaits a favourable climate like a good market conjuncture before investing the profit).

These are monies temporarily excluded from the production process, and so are rendered unproductive. This is one side of the coin-the supply side. Let us now turn to the demand side.

We have already stated that the renewal of fixed capital does not usually take place exactly when the depreciation funds have been accumulated. This renewal would most likely take place at moments of the economic cycle when, say, the market is favourable. But what if, at this opportune moment, an interested capitalist has not accumulated enough to invest anew; what happens? Due to the credit system, he would be able

to borrow the capital needed to utilise the opportunity. Again, take a capitalist with access to a technical innovation that would help him expand production for an expanding market, but lacks the necessary capital, what does he do? Again due to the credit system he can function.

Let us take one more example: At the end of a production cycle, another should resume. But this may not always work out to be so, because of unsold commodities already produced. This ties up money-capital. But in line with the logic of capital, the capitalist needs to borrow to resume production all the same, for in the final analysis, his rate of profit depends on the number of production cycles completed per unit time. Again, the credit-system serves him. The bank through investment credits and other such facilities fulfils the role of centraliser and mobiliser of social capital, by playing an intermediary between those (including workers) with "unproductive" money and those in need of money-capital.

We now look briefly at two other forms of credit besides investment credit. Recall that as the capitalist mode develops, production becomes increasingly separated from the market. This increases the risk of lengthening rotation time, ie. time required to complete a circuit of capital. The service that circulating credit renders then is to minimise or possibly eliminate completely productive capital tied up in circulation. This it does by advancing the capitalist some capital in order that he may continue with production pending the

realisation of the money-capital in the commodities. This way the expropriation of surplus-value can continue uninterrupted, enlarging capital in the process and swelling social capital. That is circulation credit.

Now consumer credit. We actually started with witnessing this form of credit in the West, in the early part of this century with the mass production of consumer durables such as cookers, refrigerators, sewing machines, cars, radios, television sets, motor-cycles, washing machines etcetera. The point was that the prices of these goods were generally out of the reach of the consumers. Consumer credit was, therefore, advanced to enable the consumer purchase and then pay over time. This act which may appear like a favour to the consumer is actually not one as such. It rather has the effect of aiding the capitalist in keeping up effective demand, for without the necessary market, there is no impetus for further production. And no production means no appropriation of surplus-value, so social capital does not expand. Consumer credit therefore serves the extended reproduction of social capital.

This is really the principle behind the introduction of credit cards, as well. Although you could argue that the card is more convenient for the consumer but it also encourages him to buy even when he does not possess the purchasing power. The card encourages him to incur debt, but in doing that he shores up

demand. That is the real rationale.

Hopefully, having now established the significance of the modern credit system in the process of the extended reproduction of social capital, what is left is to relate it to bourgeois rationality properly. We have to show that it rests on the collective restraint of the bourgeoisie. The relevant questions therefore are: What is the basic foundation on which the credit system rests? What is it about the behaviour of the bourgeoisie in the Occident which sustains the credit system?

A good way to begin might be to look a little more closely at the evolution of the system itself. The transportation of substantial amounts of money over long distances had rendered trade very burdensome. This was in addition to the insecurity of persons carrying such monies over the distances. These, amongst others, forced the nascent bourgeoisie to invent tokens for money. These tokens for money developed as bills of exchange and transfers of deposits. The bills of exchange, particularly helped to remedy the business inconveniences generated as a result of the time lapse between purchase and delivery, and the separation in distance between seller and buyer. Gradually, the bills of exchange with generalised use began to serve as tokens for money. The use became even more widespread, with the acceptance of the bills by persons other than those named on the document. In Western

Europe, this manner of circulation was assured through endorsement of the bills. So that around those areas, about the 19th century, it was normal to see bills of exchange covered with numerous signatures. The thing to note here is that the circulation of this token currency was only possible because of the confidence reposed on it by those who accepted it, but this confidence is only a reflection of the trust amongst partners involved in the transactions.

This is precisely the manner in which the special bill of exchange called the cheque developed. It began with merchants giving their creditors written orders, stating specified sums of money to be paid the bearers upon presentation of the orders. Cheques are simply more modern forms of these orders, whose use is only possible because of the mutual trust of the transactors. That one accepts a cheque in exchange for the sale of one's commodities, for instance, presupposes confidence in the payer, in the first place—confidence that money will be there to collect once one gets to the bank. It is this trust that lends confidence and credence which keeps those pieces of papers (the cheques) in circulation, saving the exchangers trouble and facilitating their productivity.

It is again based on trust that one who keeps a current account, as most capitalist do, for ease of transaction, is granted overdrafts, money in excess of what he has in his account in anticipation of payments—

in. Thus he can carry on his business without waiting for the realisation of the value of commodities sent out into the market; and production can proceed without interruption. The expropriation of surplus-value and consequent enlargement of social capital continuing unhindered.

The point really is that the Western bourgeoisie, in spite of the self-seeking nature of particular capitals, exercise restraint and discipline enough to imbue confidence in the modern credit system so vital, as we have seen, for the extended reproduction of social capital. This is expression of bourgeois rationality; the exercise of collective discipline, in spite of selfishness of particulars, for the benefit of social capital. Put differently the credit system is already hamstrung and social capital suffers once a mutuality of trust amongst the transactors is diminished. If the selfishness of particular capitals gains ascendancy over the survival of social capital leading to the erosion of mutual confidence, mutual suspicion overcomes the necessary mutual trust jeopardising the credit system, reducing its effectiveness and efficiency and inhibiting the extended reproduction of social capital.

VI SUMMARY

In this chapter we have been concerned with delineating the salient tenets of bourgeois rationality.

Here we refer to the ways in which bourgeois rationality manifests in order that extended reproduction of social capital is ensured and facilitated. These tenets include the rule of law, liberal democracy and the modern credit system, all of which are necessary for the expanded reproduction of social capital but which require bourgeois rationality to adequately function.

Once it is accepted that social capital exists really as particular capitals, the need for bourgeois rationality is easy to establish following the *modus vivendi* of particular capitals. For in spite of their selfishness and greed particular capitals need to exercise restraint in, for instance, submitting to the rule of law, a basic presupposition for the functioning of bourgeois society and in particular for the assured reproduction of social capital. Law then objectively governs all, and in doing that is able, amongst others, to mediate the necessary contradictions between particular capitals and social capital so that the law of value can operate. Particular capitals can then compete under some order, just as labour now willingly submits to exploitation having perceived itself as equal with capital. In the process, surplus-value is expropriated enlarging social capital.

This necessary veil of equality and freedom is what the political correlate of capitalism, liberal democracy

reinforces. It acts as an ideological arm which underscores the impressions of equality and freedom for all. Again here, the bourgeoisie exercises necessary restraint submitting to liberal democratic rules. This is how the illusion of equality and freedom is maintained.

Lastly as capital makes its circuit to actually realise the excess expropriated in the production arena, there is need for the modern credit system. But this system itself rests on trustworthiness of the bourgeoisie in spite of their selfishness as particulars. Discipline then needs to be exercised for the system to function.

But notice that these restraints are actually premised on the level of development of productive forces, and the degree of autonomy of the state. These are the conditions establishing the culture of obedience to general laws and norms of bourgeois society, which are themselves objectively enforced, subjecting all, irrespective of class or status. It is only when we link bourgeois rationality thus, that we can understand its weakness, where the level of development of forces of production is yet rudimentary and the state enjoys limited autonomy as we shall find in the Nigerian case.

CHAPTER FIVE

NIGERIA: THE INTRODUCTION OF CAPITALISM

I. INTRODUCTION

In this chapter part of our interest is to trace the history of capitalism in Nigeria from its introduction to the present, focusing attention on the peculiarities of its penetration. This should shed light on the special character of the country's capitalism, and bourgeoisie. To accomplish these goals we have divided the chapter into three main sections. The first deals with the background to Nigeria's incorporation into capitalism. The second with colonialism and capitalism. And the third with the character of Nigerian capitalism. All these would enable us to explain the weakness or otherwise of bourgeois rationality in the Nigerian milieu.

II. 4.2 BACKGROUND TO INCORPORATION

Nigeria's incorporation in the world capitalist system dates back to the period of colonialism. The maturation of the capitalist contradictions in Europe led to its search for new markets, raw materials and cheap labour outside that continent. However, the subordination of the Nigerian territory to Europe actually started before the industrial revolution¹ which marked the actualisation

¹This covers approximately the period between 1760 and 1830 following T.S. Ashton's The Industrial Revolution 1760-1830, Oxford University Press, London, 1948.

of capitalism in Europe. Indeed, the incorporation of the country into the world capitalist market can actually be traced to the era of slave trade.

In this era, between 1472 and 1830, the trade took place at the coasts of the country where European slave dealers met with their agents. Trading at the shores was particularly convenient because of communication problems, lack of roads, railways, etc. Besides, by the mid-century when the Portuguess made their debut on the Nigerian port, the hinterland was largely yet a terra incognita.

The British were, however, to soon challenge and dominate trade in the region, backed by their naval superiority over other sea powers of the time. The slave merchants in fact, received the support of the British royalty, who actively participated in the trade. Besides, the direct participation, the crown also granted royal charters to joint stock companies to carry out the trade in specified areas. For instance, James I granted such a charter to the company of Adventurers in London in 1618. And so did Charles I grant such a charter to a group of English merchants in 1631. Also in 1660, the company of Royal Adventurers of England was granted a royal charter to supply, in particular 3,000 slaves annually to the English possessions in the West Indies.

Uptill the 18th century, slaves were the main export of the Nigerian coast. In 1771, alone, 63

English ships packed over 23,000 Nigerians from the Bight of Benin to the West Indies. To worsen matters, it was the most able-bodied and productive sections of the population that were carted away as slaves. Walter Rodney² for instance, suggests that the age range of slaves was between 15 and 35, the very core of the productive labour force. This is not to mention the debilitating effects of the general social instability engendered by the hunt for slaves on inter and intra-societal levels.

The era of slave trade was succeeded by the so-called legitimate trade. To be sure this change in the strategy of exploitation of the economy was informed by the changing needs of Europe, the need for more primary products for European industries following the industrial revolution, and the need for a wider market. So that it became better to leave the "natives" in their homeland to serve two other purposes: feed the industries with tropical African agricultural products and provide a ready market for their goods. From this point onwards, the production of cash crops was emphasized and intensified for shipment to Europe. This change was precipitated by the contradictions of capitalism in Europe which propelled it towards the

²See Walter Rodney, How Europe Underdeveloped Africa, Bogle L'Ouverture, London, 1972.

exploitation of other lands. Imperialism. How is this phenomenon engendered?

Notice that capital is inherently expansionary, since the capitalist perpetually seeks to add surplus value to his capital. A point of expansion reaches when it must overflow to other lands. Also, free competition under capitalism ever calls for greater efficiency resulting in the acquisition of more and more plants, machines, and other forms of technology, while reducing the share of labour (the very source of surplus value) in the general capital outlay. This is what is technically referred to as increase in the organic composition of capital. The result is a fall in the rate of profit. Here the capitalist finds himself in a dilemma.

The continuous effort to cope with and beat competition may force him to opt for oligopolistic competition. But this restricts and stifles productivity. He may also resort to increasing the rate of exploitation of the worker. But this has its limits, for the worker must earn enough, to at least, reproduce himself in order to be able to present himself for further exploitation. One of the most viable options he then has left is to direct his attention to other lands, the economically backward ones.

Another contradiction resulting from free competition which leads to imperialism is that of the excessive

production of goods following from the unregulated nature of the economy. The over-production gives rise to underconsumption. The crisis drives towards the search for new markets. All these explanations which are actually implicit in Marx's treatment of capital informed Lenin's theory of imperialism³. But he went somewhat beyond Marx in showing that imperialism was in fact the highest stage in the development of capitalism. He also identified some of the basic features of this stage as including:

- a) the development of the concentration and centralisation of production and capital to such a point that monopolies emerge;
- b) the merging of bank capital with industrial capital, as finance capital, and the emergence of a financial oligarchy;
- c) the exportation of capital;
- d) the division of the world amongst the world's biggest capitalist combines;
- e) the territorial division of the world amongst the world's biggest powers etc.

III COLONIALISM

Now, the contradictions, as we outlined above, of the capitalist mode of production in Europe, where it first took root led to the conquest and subordination

³ See for instance V.I. Lenin, Imperialism, the Highest Stage of Capitalism, Foreign Language Press, Peking, 1965.

of other lands, and the imposition of alien coercive rule; colonialism. Nigeria was one of those territories that was so subjugated to fulfil the need for new markets and the search for cheap raw materials to feed specifically British industries, for Britain was its coloniser. All forms of resistance to the colonial power had to be quelled and decisively quashed. This accounted for the violence visited upon the natives as we witness in the deportation of King Jaja of Opobo and in the shelling of Brass traders⁴.

At first, the domination and administration of the territory was by trading concerns to enhance their activities. Among the earliest trading companies to establish a trading post in the Nigerian hinterland was a Manchester firm, the West African Company, which opened up an office in Lokoja. This was in 1865. Other firms soon joined, opening up posts in several other places, including Akassa, Onitsha, and Egga. All this was with the active support of the British government. In 1872, for instance, the British foreign office was to transfer a consulate opened in Fernando Po to Calabar in response to the widening frontiers of trade.

The numerous foreign firms established in the region engaged in competition with one another for greater share of the trade. They were however, later

⁴Much of all this is well chronicled in M. Crowther's The Story of Nigeria, Faber and Faber, London 1962.

amalgamated as the United African Company, under one Sir George Goldie. This was in 1879. The company whose name was changed to National African Company in 1882 then enjoyed a monopoly and increased capital. It refurbished existing facilities in the old trading posts and built new ones.

In 1886, the company was granted a charter, and it again changed its name. This time to the Royal Niger Company. The charter conferred on the company the powers of a government. It was now to maintain law and order, administer justice, collect taxes while still overseeing commerce. In time, the company mobilised an army to enlarge the domain of its operations to include Yola, Adamawa, and Borgu. It also subordinated the emirates of Ilorin, Nupe, Sokoto and Gwandu.

The threat of competition from other metropolitan powers, and the need to intensify British exploitation of the territory led to the revocation of the charter on January 1, 1900 the day of the imposition of the colonial state. Fourteen years later, Northern and Southern Nigeria which had been administered as separate protectorates were amalgamated for more effective administration and exploitation. This was when we began to witness, in clearer perspective the incorporation of Nigeria into the capitalist orbit. But in what specific ways was this done?

SECTION BIV. THE PENETRATION OF CAPITALISM

As we have seen the capitalist mode of production emerges when capital penetrates and takes over the process of production. Production is then basically commodity production, ie. exchange-value production. But for this exchange to occur, there is need for money, a universal medium of exchange. The introduction of money is therefore, a must if capitalism must penetrate a society.

In Nigeria, however, long before colonisation, there were already visible but rudimentary elements of a market economy. Among them was the use of money. The currencies in use then consisted of brass rods, manillas, copper wires and cowries. By 1522, for instance, the manilla was circulating as currency in Benin, while cowry was widely used in Yoruba and Igboland. But the limitations of these currencies became however, obvious with the introduction of capitalism. They were, for example, cumbersome to handle and carry. Moreover, they were not convertible. There was, therefore, the need for the British to introduce a new currency that would overcome the shortcomings. A ban on importation of all items that served as currency was imposed and the withdrawal of the existing traditional currencies enforced. And by the way, with the introduction of British currency, the loss of the

savings of the users was entirely their liability. The eventual monetisation of the economy implied as Ake put it "the pervasiveness of money as a medium of exchange in the economy at large, the development of the attributes that we now call the modern monetary system, including the credit system"⁵.

To be sure, the question of how to make the new currency pervasive in the Nigerian economy was mainly resolved through the encouragement of wage-labour. Often crude force was employed to draft wage-labourers to work for the British firms and the colonial government. As D.C. Ohadike notes :

To displace labour and recruit those they wanted, colonial agents resorted to very tough measures. In Northern Nigeria, for instance, they turned the emirs into a social support for the oppression of the people. Most of the northern emirates had been smashed by the British at the end of the 19th century, but were immediately re-organised to act as a powerful instrument for the recruitment of forced labour. In South-Eastern Nigeria and in Benin province, where no powerful institutions of chiefs existed, the British created warrant chiefs and vested them with powers...

⁵ Claude Ake, A Political Economy of Africa, Longmans, London, 1981, p.33.

(to compel) all able-bodied men and women to work with or without pay⁶.

The forceful drive of the natives into the labour market was rendered almost irresistible with taxation. Although, the experience of paying taxes was not new in Nigeria, now it had to be done in the new currency. This was critical in the spread of wage-labour, for the new currency had first to be earned before it could be used to pay tax.

And along with the ascendancy of the British currency, also came modern banking. The first bank to be established in Nigeria was the Bank of British West Africa. This was established in 1894 with the objective of providing services for the British trading firms and the colonial government, already established then on the coast of West Africa. Of course, this was meant to facilitate the extension of the British currency. The bank had the responsibility of maintaining appropriate reserves and ensuring convertibility into the British currency. It was also the bank of issue. The British government was however, dissatisfied with concentrating too many roles in the bank. This led to the creation (1912) of the West African Currency Board charged with issuing a separate currency for the colonies in West Africa and managing it.

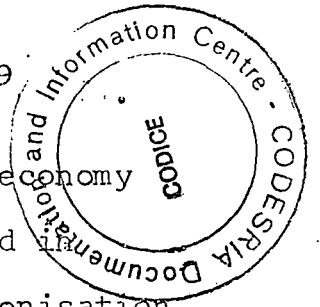
⁶ D.C. Ohadike "Exploitation of Labour: Waged and Forced", in Toyin Falola (ed.), Britain and Nigeria: Exploitation or Development, Zed, London, 1987; p.148.

Nevertheless, the issued currencies remained tied to that of Britain with both being freely convertible. So that it was indeed, the colonial authorities who determined the monetary practices in the colony. In particular, money supply was determined mainly by the British demand for the colony's export. The consequence was the dependence of the buoyancy of the Nigerian colony on Britain. This encouraged the export orientation of the local economy, and helped render it a complement to that of Britain, at least, to the extent that it specialised in feeding British industries with its primary products.

The point that should begin to crystallise from here is that the monetisation enhanced its being subordinated to serve the interest of the metropole. This has consequence for the character of capitalism in the colonised territory. We shall return to this once we have discussed trade, another very important means by which capitalism was introduced into Nigeria, integrating its economy into the metropolitan capitalist orbit.

V. TRADE

The question here is what role did trade play in integrating the Nigerian economy into the capitalist orbit? This question is easy to answer when once we remember the transformations that occurred in trade between Nigeria and Europe, after colonisation.



Before that the impact of trade on the local economy was very limited. Trading activities remained in the bracket of a few entrepôts. But with colonisation the situation drastically changed; especially with the British intentions of keeping off rivals and securing markets for their manufactured goods and maintaining Nigeria as source of raw materials supply. These required a more complete control of the colonised territory: determining what is produced, how and how much.

To achieve these and maximise profit, there was need to expend a little on infrastructure in the bid to serve the major interest of exploiting the territory. And in reaching the hinterland, through the infrastructure provided, the scope of the money economy was in the same breath being expanded, and with it exchange relations. While Britain thus extended the market for its manufactured products at "home", it also had greater access to the needed primary products to feed its industries.

The production of these primary products themselves was made possible by both persuasion and coercion. Taxes and court fines, for instance, had to be paid in British currency and this was only possible if one already earned it. And to earn the British currency meant either to sell labour power to the British (government or firms) or be engaged in cash crop production. Besides, there was the further

incentive of receiving free seedlings and expert advice. As far back as 1887, for instance, the government encouraged cocoa production, by establishing botanical gardens for cocoa seedlings. From here they were freely distributed to farmers through both government agents and Christian missionaries. The story was similar for other cash crops as well. The Cultivated Oil Palm Ordinance of 1935, for instance, offered full rebate of export duty in force to any planter who registered with the government and whose plot met the required standards.

In various such ways, primary production was encouraged. The money accruing from this trade for the colony was however in turn to be spent on imported manufactured goods. This encouraged specialisation, promoting complementarity and further tied the colony to the metropole.

Needless to add, the new consumerist orientations established through the supply of goods from Britain had the effect of destroying traditional crafts and craftsmanship in Nigeria. The reason is simple: the British substitutes were cheaper, better made, more desirable and functional than the local products. The ultimate effect of this was a regression in the development of productive forces in the colonised territory.

This, in outline, was how Nigeria got incorporated into the orbit of capitalism; to service the interests of the metropole. The pertinent question now however is: what is the peculiar nature of this capitalism that this manner of penetration engendered. This question needs to be answered to help shed light on the differences between the nature of capitalism, state and bourgeoisie of Nigeria, as opposed to that of the West. The crystallisation of these differences and thus the peculiarities of Nigerian capitalism are central in explaining the weakness of bourgeois rationality in the country.

VI CHARACTER OF COLONIAL CAPITALISM

We begin with classical capitalism. This rests on the principle of laissez-faire, freedom to produce, buy, sell and do as one wishes. This principle is central for competition; for the dynamism and efficiency of the capitalist mode. Thus coercive allocation of rewards and authoritative fixation of prices is completely rejected under classical capitalism⁷. Rewards and prices have to be in accordance with the dictates of the free market forces. As a matter of fact, as Adam Smith concludes, it is through

⁷Much of this Adam Smith enunciated and demonstrated in his Wealth of Nations, Modern Library, New York, 1965.

the free play of selfish interests that the social interest is catered for. Capitalism thus necessitates the glorification of the principle of laissez-faire.

To be sure this is the same principle which leads to waste and anarchy in production. Nevertheless, it is through this practice of laissez-faire that capitalist countries have developed their productive forces. We would return to this point. But for now, the much we wish to note is that colonial capitalism was different. Once we remember that the colony itself was appropriated to keep away competitors and maximise exploitation, it is already clear that colonial capitalism must necessarily be characterised by monopolistic tendencies and market imperfections. This gets even clearer when we recall that the first colonial administration in the Nigerian territory was, in fact, by trading firms whose aim was to enjoy a monopoly in exploiting the territory, exercising extraordinary government powers to achieve this.

The formal imposition of colonial rule was to release the trading firms from "political inconveniences", so they could squarely face the mission of exploitation while the colonial government maintained the necessary political conditions. The major effect of this imposition of monopoly even from the inception of capitalism in Nigeria, meant as Ake observes that "colonial capitalism displays a pathological maturity,

like a highly accelerated ageing process. It has, so to speak, attained the weakness of old age without having had time to take advantage of the benefits of youthfulness, it suffered the disadvantages of monopoly without having enjoyed the advantages of competition. ...In colonial Africa, capitalism short-circuited history, so to speak and moved directly to a monopoly stage"⁸.

Capitalism was without the equilibrating effects of competition. This encouraged the degeneration to primitive accumulation. Colonialism supported crude accumulation, naked coercion, blatant robbery and brigandage. To repeat monopoly was in consonance with the very logic of colonial rule. Definitely,

an occupying power ruling by force could not institutionalize the principle of laissez-faire. Competition might distribute the wealth more than was desirable; it could lead to some concentration of wealth in the hands of some of the indigenous people, and this could endanger the regime, as economic power is easily transformed into political power. If the indigenous people were allowed to compete and become successful, this could undermine the colonial doctrine which represented them as less

⁸ See Claude Ake, A Political Economy of Africa, op cit, pp 49-50.

human in order to justify their inhuman treatment. The policy compatible with this doctrine was one which denied them access to economic advancement and kept them thoroughly wretched⁹.

VII THE NIGERIAN PETIT-BOURGEOISIE

Colonial rule was to generate necessary contradictions between colonial capital and the Nigerian petit-bourgeoisie, mostly created through education. But first how did the colonial masters involve themselves in a project that turned out to be instrumental to their "overthrow". It must have been obvious that educating the Nigerian would make him more aware of his rights as a human being, render him less docile in the face of mindless exploitation, and generally more assertive.

But as Ake again argues

You cannot fully dominate without educating, without penetrating personality and culture of the person to be dominated. And the penetration has to be accomplished not so much by coercion as by education. The same goes for exploitation. You cannot fully exploit without educating. The untutored and unskilled is a tool of very limited use; more is got out of him when he is tutored and

⁹Claude Ake, Revolutionary Pressures In Africa, Zed London, 1978, pp 69-70.

skilled¹⁰.

And, there were very urgent reasons for educating the Nigerians. They were needed as supplementary staff in the administration of the colony. This made economic sense. It was far cheaper than expending huge amounts of money on British administrators, when only a few of them could be employed as supervisors over staff recruited from the local population, and paid next to nothing to help run the administration. Besides, there was need for technical staff to act as foremen in construction, generally: railways, roads, waterways, buildings; and in maintenance. It certainly also made better economic sense to use the local people in this regard. It was therefore, even in the selfish interest of the colonial masters to make a concession and educate the "natives", even if grudgingly and in a very limited fashion.

This limited education provided was, however, decisive in crystallising a clear distinction in the class configuration of the local population. Once educated, no matter how poorly, one, by virtue of attendant privileges, and special positions which working for the colonisers offered, was immediately differentiated from the rest of the local people. One became a member of the elite, the Nigerian elite, carved in the caricature likeness of

¹⁰ Claude Ake, A Political Economy---op cit, p.72.

the colonial masters. And this resemblance was not just an accident. It was indeed, the deliberate policy of the Europeans who offered the education, to create an elite imbued with their values. The rationale was that the inculcation of a mentality in consonance with that of the colonisers would enhance their use as colonial tools, for achieving colonial interests.

This was partly achieved through the establishment of special schools that clearly enjoyed advantages over others. The recruits into these schools were usually those from families of high socio-economic positions. For example, sons of chiefs and emirs. In Nigeria, King's College was a good example of such schools. The whole intention was to ensure that those being groomed to become elites had good opportunities for upward mobility, in particular for leadership roles. The success of this aim was even more enhanced with the limited and exclusive educational opportunities provided in the colonial setting. It is instructive that all those who formed the Lagos Youth Movement¹¹, becoming very influential in early Nigerian politics were old boys of King's College. These included Ernest Ikoli, H.O. Davies, and Samuel Akinsanya.

¹¹This was later renamed the National Youth Movement (NYM).

Another way through which class differentiations distilled was through trade. Following the external orientation of the economy which we have already dealt with, there was need for local middlemen. This provided an opportunity for part of the indigenous population to develop into marginal capitalists. Their basic functions included acting as frontier men, to help in discovering and opening up new markets in the hinterland. This served the colonial firms well, for they had not the personnel to do this, neither was it really safe for their staff to carry out those duties themselves. Besides, it would have been uneconomic deploying staff to pick small quantities of produce from villages and hamlets scattered and far between. The job was left to middlemen who brought in the produce in bulk, sometimes after carrying out the extra-functions of sorting, blending and grading, before selling to the firms. By carrying out this role of middlemen and women, some of the indigenous population made good profit. But this was the case only in few cases. In the majority of cases, there was really not much to show for the venture, owing to the monopoly of the firms which enabled them to fix prices sometimes ridiculously low. And if a middleman tried to strike an independent line of operation, he was immediately dealt with and forced in line. The point is: this was one way by which class differentiations occurred under colonialism.

Some members of the petit-bourgeois class also emerged, functioning as agents which serviced the needs of the working population in the entrepôts. Usually, these were places of high population which created demands for such services as tailoring, dry-cleaning, food and furniture supplies, etc. Some of the indigenous population utilised these opportunities to become marginal capitalists as well.

The colonial administration itself also helped differentiate Nigerians along class lines, especially with its system of native administration. In Northern Nigeria, for instance, this rested heavily on the emirs and their lieutenants, following the so-called indirect rule method of the British. The privileges, power and incomes that their positions attracted clearly marked them out of the rest of the indigenous population. The situation was the same even in the southern parts of the country where warrant chiefs were appointed to perform similar functions as their northern counterparts, enjoying tremendous privileges, patronages and power as well.

But as we saw earlier, concentration of economic power in any arm of the local population was in the long run antithetical to the very ideology of colonialism, one that saw Africans generally as sub-humans who had to be subjected to colonialism in their own interest. Their economic influence thus had to be seriously checked lest it be used to capture political power.

No wonder then Nigerian businessmen of the period had to meet with gross discrimination and frustration. Banks, for instance, refused to grant credit to indigenous entrepreneurs under all kinds of pretexts often backed with the force of law.

The monopoly character of colonial capitalism was necessarily matched by the colonialists exclusive claim to power. And this could not but be so, for if the indigenous population was allowed full political participation, the justification for colonialism in the first place would have dissolved. The Nigerians therefore, necessarily had to be marginalised economically and politically.

However, the creation of the Nigerian petit-bourgeoisie largely to service colonial interests was or turned out contradictory to the colonial system itself. The positions occupied by these Nigerians in the colonial and foreign firms exposed them enough to Western values. This was more so with western education. These indigenous people then imbued with western values became more assertive of their rights and more politically conscious.

Their positions and exposure also helped to demystify the personality and culture of the colonial master. This gave them confidence; raised their hope for better expectations and strengthened their will to achieve them. They now shared, in particular, the capitalist values of the colonialists, hoping

that their qualifications and ability would fetch them privileges similar to those of the colonial masters.

These hopes were however mocked, frustrated, and dashed. For reasons already given, the British had to monopolise political and economic power. This necessarily generated contradictions between the colonial masters and the Nigerian petit-bourgeoisie; contradictions which could only be resolved with the overthrow of the colonial regime. The deprivations of the Nigerian petit-bourgeoisie fired nationalist movements leading eventually to Nigeria's independence on October 1, 1960..

But what are the peculiarities of this indigenous bourgeoisie that gained political ascendancy at independence? And what was the nature of the state that it inherited? These questions have to be answered before we can adequately examine and evaluate bourgeois rationality in Nigeria. We begin with the bourgeoisie, establishing why and how the Nigerian (domestic) bourgeoisie differed from that of the metropole.

VIII THE UNDERDEVELOPED BOURGEOISIE

Perhaps, we should begin by recalling briefly the historical process that led to the emergence of the western bourgeoisie especially in Britain, the first "workshop of the world". This bourgeoisie started

off partly as a mercantilist class within the feudal mode of production. Through other activities ranging from plain plunder, colonialism, slave trade to forcible expropriation of land, the nascent bourgeoisie accumulated capital needed in accomplishing the industrial revolution. The triumph of the bourgeoisie was not without struggle between them and the landed aristocracy. This battle was fought on both social and political levels, culminating in bourgeois democratic revolutions, and the overthrow of the landed aristocracy.

Nationalism of the Western bourgeoisie was directed against the parochialism of the feudal order and at the development of a national market to absorb the goods from the industrial bourgeoisie. The bourgeois slogans of freedom, equality and fraternity reflected specific needs of the bourgeoisie. Freedom meant freedom of the peasants from land, so they could be available as labour for use in industry. Equality meant equality in law; so that no special privileges are accorded the aristocracy. It also meant equality in the market place: this was necessary in the selling and buying of commodities which included labour-power. Fraternity meant the alliance of the bourgeoisie with other classes in the fight to overthrow the feudal lords.

Against this standard, the Nigerian bourgeoisie emerges therefore, as neither national nor really bourgeois. They lacked the "historical maturity" of their

western counterparts, and also the necessary economic base of a bourgeoisie. And though the Nigerian bourgeoisie shouted slogans of nationalism, freedom, equality, etc., at independence, these were merely echoes of the ideology of the metropolitan bourgeoisie, devoid of their social and economic significance. The British relinquished political leadership of the country at independence but its economy remained patterned along the lines of the colonial economy. In the face of vertically integrated metropolitan firms, in control of the economy, the Nigerian bourgeoisie remained marginalised; with a weak economic base. And to be sure not only was this bourgeoisie weak in terms of its lacking the requisite material background to back-up its rulership as a class, it was also weak in terms of the dependence of the country's resource base on the metropole.

In the light of all these, we can probably now better appreciate Fanon's effort at delineating characteristics of the African bourgeoisie that emerged after independence as one that:

has practically no economic power, and in any case, it is in no way commensurate with the bourgeoisie of the mother country which it hopes to replace...Neither financiers nor industrial magnates are to be found within this national middle class. The national bourgeoisie of underdeveloped

countries is not engaged in production... it is completely canalized into activities of the intermediary type...The psychology of the national bourgeoisie is that of the businessman not that of a captain of industry; and it is only too true that the greed of the settlers and the system of embargoes set up by colonialism has hardly left them any choice¹².

The consequence was that with the attainment of political power by the Nigerian bourgeoisie at independence, it became almost natural that strengthening its material base became one of its major preoccupations. One way of achieving a strong material base would have been through the classic type of capitalist exploitation and accumulation-owners of industry hiring labour, whose surplus-value is then appropriated. But this was not a very viable option. One, because of the limited percentage of the population available as free labour. Again, this has to do with the manner of penetration of capitalism. (We shall return to it when we deal with the character of the Nigerian State shortly). Two, in the face of the competition from the well-established foreign firms in the economy, they stood little chance as competitors. Three, and most importantly, was their weak capital base.

¹² Frantz Fanon, The Wretched of The Earth, Penguin 1963; p.120.

Besides the Nigerian bourgeoisie could not afford to bluff international capital and embark on a self-reliance course. That would have meant committing class suicide. Why? The extent of heavy dependence of the Nigerian economy on the metropole was such that did not allow the bourgeoisie much room for manoeuvre; for the inevitable retaliation, from international capital would have necessarily resulted in traumatic changes that may have precipitated a possible socialist revolution. This was too risky an option for a group aspiring to consolidate itself as a bourgeoisie.

What had to be done then was to accommodate metropolitan capital while the indigenous bourgeoisie strengthens its material base. Luckily enough, independence opened up a horizon for foreign capital of various nationalities to now compete in the Nigerian territory. This provided some latitude for jostling. The Nigerian bourgeoisie, for instance, capitalised on the contradictions between foreign capitals to press their demands for a greater share of the economic surplus. In any case, it possessed additional bargaining power now, being responsible for maintaining the conducive political climate necessary for the operation of foreign capital. And quite clearly, much of the open options for fulfilling its aspirations of consolidating its material base required its having access to the state, and the application of political pressure against international capital for material gains. Such

pressure often took various forms. But the major one was to mobilise nationalist feelings and insist on indigenous partnership with foreign capital.

This is, for an example, the justification for Nigeria's indigenization programmes.

There was yet another method open for strengthening the economic base of the Nigerian bourgeoisie. This involves the direct use of the state to accumulate capital. Right from the era of colonialism this pattern of accumulation was already discernible. One of the ways then was through monopoly control over the marketing of primary commodities. This was done by the employment of marketing boards to control export of the commodities. Producers were obliged to sell to these boards or their agents. The boards then undertook sales overseas. The exploitation is revealed in the ridiculously high difference between selling and buying prices of the board.

With independence, state capitalism was even better entrenched for the state itself assumed more fully the role of an entrepreneur. And this was done purportedly for the sake of development; for following the weakness of the material base only the state could mobilise enough capital. It nationalised enterprises in the "national interest", ran corporations, commercial ventures, etc. But behind the apparent "noble" reason of carrying out development was the real rationale of enlarging the economic base of those in whose custody the state was.

This way we see why in the bid to strengthen its material base, the lure of state becomes most irresistible, with the possibilities of its being used ever more crudely by those in whose custody it happens to be.

But what is the relevance of all these for capitalism in Nigeria? Some have argued in contributing to the Kenyan debate that the coercive accumulation taking place is good for capitalism; that the accumulation processes outlined above would help create a true capitalist class that can then see through capitalist development. But such an argument could be misleading for this crude way of accumulation is partly what jeopardises the survival of social capital. Indeed, it cannot help much in strengthening the material base of the Nigerian bourgeoisie. This is because, in the unmitigated struggle to accumulate, the original purpose of beefing up the capital base of the Nigerian bourgeoisie would be defeated. In other words, the normlessness of particular capitals would negate the necessary conditions for the promotion of social capital, especially its extended reproduction because

Under these circumstances even the hegemonic faction of the bourgeoisie will not be thinking primarily of the collective good of the class. This is how it comes about that the purpose of strengthening the material base of the bourgeoisie is largely defeated because in the heat of the

competition the hegemonic faction tries to restrict the access of the other factions to the accumulation of capital. Expanded opportunity for accumulation and stringent restrictions of access to accumulation combine to produce monopoly-monopoly of economic and political power by the hegemonic faction. In the meantime, the grim anxiety and struggle within the bourgeoisie reinforce its regressive tendencies. People look for quick wealth and corruption grows¹³.

To be sure, we are not saying that corruption is peculiar to Nigeria. Corruption is rather endemic in any capitalist system. That system which makes wealth the ultimate value, and selfishness its ultimate virtue cannot but be corrupt. But the point is that in the Nigerian case it assumes such dimensions that those restraints of the bourgeoisie necessary for the expanded reproduction of social capital are barely exercised.

These are some of the principal peculiarities of Nigerian capitalism, especially the use of the state as a means of private accumulation. But what is the specific character of this state that makes it so susceptible to private appropriation?

IX THE NIGERIAN STATE

Following the logic of imperialism, the nature of capitalism that developed in Nigeria was

¹³ See Claude Ake, Revolutionary Pressures In Africa, op cit, p. 76-77.

one where capital did not take over means of production completely. Capitalism in the country therefore, developed in enclaves, with pre-capitalist modes remaining largely untransformed though dominated by the capitalist mode. What results is a peculiar social formation.

But much earlier we saw capitalism as a mode where capital has taken over the means of production and the product of labour. The capitalist society as such is therefore one characterised by the commodification of everything including even labour power. In the development of capitalism in Britain, for instance, culminating in the industrial revolution we witnessed the complete separation of producers from their means of production, making their survival only dependent on the sale of their labour power for wages. Everyone became a commodity-bearer, a proprietor, and each confronted the other as such. This was the basis for the autonomisation of the institution of coercion, the state, as an impartial body standing outside the arena of class struggle and enforcing the conditions necessary for the operationalisation of the law of value-formal freedom and equality for all.

But in Nigeria the case is different. Here capitalism has not taken over completely the means of production. It has rather developed in such a way that the production of use value has continued side-by-side with the production of exchange value. The commodity bearer, the

bundle of property rights, ie. the legal person as a generic phenomenon, in a manner of speaking, has therefore, not fully emerged, for commodification is limited. This is reflected for example in the level of commodification of labour-power; the degree of proletarianization, which is very low. Ake provides substantial evidence of this:

In Nigeria about 70 percent of the population are still essential subsistence farmers. They are largely engaged in producing use-values...The limited development of commodity relations is underlined by the extent of the commodification of labour-power...in the mid-sixties. only about three percent of the Nigerian population was engaged in wage labour and the bulk of these (about two-thirds) were public service employees. The Fourth National Development Plan 1981-85 puts current wage-labour employment at about three million, which is only about nine percent of gainful employment or about 3.7 percent of the population¹⁴.

These show that Nigeria is predominantly a society of peasant producers, engaged mainly in use value

¹⁴Claude Ake, "The Nigerian State: Antinomies of A Periphery Formation" in Claude Ake (ed.) Political Economy of Nigeria, Longmans, 1985; pp 9-10.

production, and in complete control of their means of production. The predominance of use-value production itself underscores the limited commodification in the society. This underdevelopment of the commodity form correlates with the fact that the legal person has not fully emerged. All these pose a problem for the evolution of a mode of domination which is autonomised. For autonomisation to occur we must witness the emergence of commodity-bearers, embodiments of property rights i.e. legal persons, equally and inextricably enmeshed in exchange and juridical webs from which none of them is independent. This way an impartial institution that dominates and empowers all equally can then emerge.

But in the absence of these necessary conditions, following from limited commodification, the society lacks what it takes for this institution, the state, to be autonomised. And note that autonomisation is its *differentia specifica*. So that it becomes doubtful whether we should refer to the mode of domination in Nigeria as a state, government or any other thing. But no matter. All we are interested in is understanding the Nigerian state's character, especially its lack of autonomy. This is why it is so vulnerable to privatisation. That which, even by definition, is a *res publica* becomes the property of some to the exclusion of others.

The consequence of this is then that the state is immersed in the class struggle and is thus unable to rise above it to mediate, as those in possession of state

apparatuses use them to massively intervene in the economy to consolidate their material base. In this light, it becomes understandable why an unusually high premium is placed on the attainment of state-power. It is one "kingdom" that must be sought for all else to be added. The fight for it is therefore, fierce, normless and lawless. Society gravitates towards the Hobbesian state of nature, a state of anarchy, fear and diffidence, where life becomes "solitary, poor, nasty, brutish and short"¹⁵. In the bellum omnium contra omnes, the war of everyone against everyone, culture and industry cannot thrive; suspicion reigns, and trust wanes. But how does all this relate to bourgeois rationality?

Before we answer this vital question just a word on the configuration of the Nigerian bourgeoisie. From the analyses so far it is clear that it would be constituted much differentially from the classical type, which we can identify easily as owners of capital. But in the Nigerian case several other variables come into play. For instance, although we may identify some of the classical type of the bourgeoisie in Nigeria, the state is rather the more central instrument in the formation and definition of the Nigerian bourgeoisie. This is why in identifying the bourgeoisie in this case

¹⁵This is how Thomas Hobbes, describes the life of man in the state of nature in his Leviathan. See for instance the Penguin edition of the book edited with an introduction by C.B. Macpherson; 1981; p. 186.

cognisance has to be taken of those who are capitalists in the classical sense, but more importantly of those who belong in the ranks of the bourgeoisie by virtue of their being in possession of the apparatuses of state.

This character of the Nigerian bourgeoisie has posed problems for several scholars interested in analysing the class configuration in Africa. Issa Shivji¹⁶ and Claude Ake, for instance. The latter, in particular had to deal in terms of exploited class instead of the classical¹⁷ bourgeoisie/working class typical of the capitalist mode of production. He included in his exploiter class, "salaried people who hold important positions in the administrative, cultural and coercive apparatuses of state. Members of this category include the officer corp of the armed forces and police, high ranking civil servants and employees of parastatal bodies and University teachers".¹⁸

But really whether he used oppressed class, or any other term, instead of exploiter class, may not have made much difference. What is important is to understand the nature and character, of the specific social category under discussion - its peculiarities, and why it is the way it is.

¹⁶ See in particular his class Struggles in Tanzania: Tanzania Publishing House, Dar Salaam, 1975.

¹⁷ See, for instance Marx and Engels, The Communist Manifesto, op cit

¹⁸ Claude Ake, Revolutionary Pressures in Africa, op cit, p. 62

X

SUMMARY

This is probably a chapter that has sought to accomplish too much. But it has to be so, for much of the subjects discussed are so organically linked that their separation would have been rather inconvenient. The object of the ~~entire~~ chapter was to provide a basis for our argument that bourgeois rationality is weak in Nigeria. To this end, we had to first understand the peculiar nature of Nigerian capitalism. And in doing that we could not but return to its genesis, especially, the manner of the penetration of the mode of production in the territory. It was this that set the tone of the character of Nigerian capitalism, and state. From here the nature of the Nigerian bourgeoisie was easy to discern, leaving us with the assignment of relating it to the concept of bourgeois rationality. This we do in the next chapter.

CHAPTER SIXWEAKNESS OF BOURGEOIS RATIONALITYI. INTRODUCTION

Our mission in this chapter is to show that bourgeois rationality is weak in Nigeria. To be sure, to argue that a particular phenomenon is weak in a certain milieu, is actually to say that it has a faint presence. It is there but not prominently. This is therefore saying that its complement is what is dominant, while it, itself, shows a feeble presence. Let us take two analogies. An argument that an acid is weak, is really saying that there is little acid in its water solvent. The proportion of the acid to the water, its complement, is very small, thus it has a weak presence. What is therefore dominant in a weak acid solution is water, not acid. Two, to say that a certain social unit like a secondary school has a weak culture of obedience is infact to say that what is more prominent is disobedience, even though there are cases of obdedience. This latter analogy is actually similar to the kind of argument we are making here i.e. that bourgeois rationality is weak in Nigeria. What this means in effect is that what is dominant is a culture of bourgeois irrationality, although there is still a presence of bourgeois rationality.

Now based on our discussion thus far, we shall show how it is that bourgeois rationality cannot but be weak in Nigeria; taking each tenet at a time. This would be argued theoretically first, even if briefly

at the beginning of each segment before descending to actual historical evidence to merely corroborate, and illustrate our thesis. And when for each tenet we move to the empirical areas, we shall first give examples of the general trends of bourgeois irrationality as a background, before picking out specific examples which then illustrate manifestations of bourgeois rationality.

Recall that the tenets of the concept which we delineated in Chapter IV, involve: (a) The Rule of Law, b) Liberal Democracy as its political correlate, and c) the Modern Credit System. We deal with each at a time and in that order.

But just before we proceed let us quickly refresh our minds about what bourgeois rationality is. In a capsule, it is the necessary discipline that must be exercised by the bourgeoisie, restraining particular capitals, so that social capital can be reproduced on an extended scale. But what specifically enhances the reproduction of social capital? It is the operationalization of the law of value; and this in turn is done through the rule of law whose political correlate helps to inculcate and internalise the principles which form the basis for the operationalization ie. formal freedom and equality. All this is so that value can be created. But this value is only realised, when it passes onto the sphere of circulation from production. But for production to continue, capital must quickly return from circulation, in order that the creation of value can continue unhindered. This is where the

modern credit system comes in. But this also requires the collective discipline of the bourgeoisie to imbue the system with the necessary trust on which it rests.

This is just a reminder. Now to the tenets and weakness of bourgeois rationality in Nigeria.

II. THE RULE OF LAW (ECONOMIC ASPECTS)

The rule of law is engendered in a situation where law is sovereign; where everyone is treated as equal before the law; where everyone is subject to the law. It is this that guarantees the rights of freedom and equality which are important for capitalism, especially to the extent that it enables the operation of the law of value. The implication of this, much of which we have dealt with earlier, is that the arena of production must be free of coercion, if the law of value is not to be hampered. But particular capitals, perpetually in struggle and competition amongst themselves, are by nature selfish, and thus, if unchecked would introduce coercion in order to accumulate, satisfying their particularistic ends, to the detriment of the social. It is thus in the interest of social capital, its survival and extended reproduction, for the bourgeoisie to exercise collective discipline and restraint enough to keep coercion out of the productive and accumulative process. Bourgeois rationality will then imply the discipline and effort to keep coercion out of this critical process of the capitalist mode; bourgeois irrationality is thus its opposite, the immersion of coercion in the process. But what is this machinery

of coercion, which particular capitals may appropriate to secure undue advantage? It is the state. But as we noted earlier, the differentia specifica of the state is its autonomy, so that it stands above the fray of competing particular capitals and social classes. The point is that, being autonomous, it should not be amenable to private appropriation. But this autonomised state emerges from capitalism in the classical sense which is far from the case in Nigeria with its limited commodification. The state that emerges therefore in this peculiar situation is one that is easily an instrument of accumulation in the hands of its custodians for its autonomy is precarious. Put differently, because of the very limited level of commodification, correlative to the limited level of atomisation of the society, the state enjoys limited autonomy. This condition coupled with the weak economic base of the indigenous bourgeoisie, naturally bent on consolidating itself as a ruling class² is what explains the rife tendency to use the state as a means of enrichment. The power of the state is summoned by its custodians to enrich themselves. Thus the reward system is hardly built on merit, efficiency and productivity as it should be in capitalist society, but

¹An these have already been explained earlier in detail.

²This cannot be done without consolidating their material base and economic power following Karl Marx.

more on access to the state. And the use of state, for private ends implies that the users are above the law for the instrument for enforcing the law becomes one for some against others. All are no longer equal before the law. Some stand above it. This is how following the negation of principles of formal freedom and equality the rule of law suffers. And in turn the law of value. And then in turn social capital. This is why immersion of the state in accumulation comes to be bourgeois irrationality, some evidence of which we now give.

To illustrate we shall refer to three cases, showing how custodians of the Nigerian state, used the instruments of office, its power and influence to amass wealth getting rich for reasons that have little to do with their ability to act capitalistically. For this particular segment of our work the examples we would use would be mainly instances that occurred during military regimes, like the Gowon and Murtala-Obasanjo regimes. We do this for two reasons. (a) To show, alongside our thesis, that the popular distinction between the military and civilian bourgeoisie is, in fact, baseless. For they indeed exhibit the same character. (b) And more importantly, we prefer this military regimes because they demonstrate more starkly, outside the veils of politics and other practices that usually characterise civilian governments, the reality of coercive accumulation. But first let us take one that occurred during a civilian regime, the First Republic.

MANIFESTATIONS OF BOURGEOIS IRRATIONALITY

CASE ONE: MARKETING BOARDS

In the early 60's, much before the oil boom of the 70's in the country, Nigeria depended largely on the export of primary produce to earn foreign exchange. Much of the country's trade was thus in primary products like cocoa, palm oil and groundnuts. Marketing boards were often constituted to buy up the produce from peasant farmers. How these boards were used to exploit peasant farmers, is a topic that has been exhaustively dealt with in the literature on Nigeria's economic history. But what interests us in particular, is how these boards were used by state officials to enrich themselves. Now the illustration⁴.

At this time, the country's main exports were groundnut, cocoa and palm oil. The groundnut came chiefly from the Northern Region; cocoa from the West, and palm produce from the East. Through the Nigeria Produce Marketing Company, Nigeria exported 607,174 tons of groundnut in 1963/64. In 1964/65 the volume exported went down to 446,407 tons. This was largely due to the declining quality of groundnut bought by licensed buying agents for the board. By 1965/66 the

⁴ See Bala Usman, "Central Role of Corruption In A Dependent Capitalist Economy; The Nigerian Experience", NISER Public Lecture, 1983.

volume of groundnut available for export had sunk further to 427,198. A much larger amount was actually bought but was too poor in quality to qualify to be exported.

Now the Alhaji Ahmed Joda Committee of Inquiry which conducted an investigation into the Northern Nigerian Marketing Boards observed that the decline in the quality of groundnuts was due to the more intense exploitation of the peasantry through government officials and agents. The peasant was paid much lower prices than he was meant to get while officials appropriated the difference. This already provides an example of how the privilege of being officials of government is used to appropriate without production. There was yet more lucrative pattern of achieving the same end. For instance, in January 1965, officials of the Nigerian Produce Marketing Company, were found to have connived with the British Italian Trading Company, the buyers, to sell 50,000 tons of groundnuts at a low price leaving consequent difference of £256,250 to be appropriated by the individuals involved.

CASE TWO: OIL DEALS

Much of the ones we refer to here took place during military regimes: Gowon's era (1966-1975) and Murtala-Obasanjo era (1975-1979). Now, the fact that in this period Nigeria witnessed the ascendancy of oil as the major source of revenue shifting attention from cash crops was bound to reflect in the pattern of accumulation.

Terisa Turner for instance provides a good illustration⁵ of how the state was corruptly used for private accumulation—with government officials serving "gate-keeping" functions, deliberately keeping the price of oil low for customers, and benefitting from the excess.

Her study reveals the massive "giveaway" associated with the sale of crude oil in the country in the year 1973-74 especially. Shell-BP, Nigeria's biggest producer was 'let' by the oil ministry to lift oil at an astoundingly low price. This was in spite of strong demand from other buyers and at considerably higher prices.

For example, the ministry 'allowed' Shell-BP to buy 150,000 barrels a day at the ridiculously low price of \$8.40 over the last three months of 1973. This was at a time that over 100 other companies were competing to buy at between \$16 and \$22 a barrel. By this method, in only three months, at least \$100 million was available as 'excess' for sharing between the collaborators.

A similar "giveaway" was repeated in 1978-79 when due to political events in Iran and actions by the Organisation of Petroleum Exporting Countries (OPEC), there was a world oil drought. This shot up the price of oil, sky high. And although Nigeria exploited this situation, increasing production to meet strong demand, it still, following the 1973 pattern, kept its price low. In the first three months of 1979 alone, at least

⁵ See Terisa Turner, "Commercial capitalism and the 1975 Coup" in S.K. Panter-Brick (ed.) Soldiers and Oil, Frank Case, London, 1978.

half a billion dollars was available as "excess" to be shared.

In the light of the above analysis, we see therefore that Turner understates the case when she argues that the Nigerian State is dominated by compradors who perform a gatekeeper function exerting toll for entry and exit of goods. However she grasps the central idea of the state as a means to wealth.

CASE THREE: USE OF DECREES

Again this case is associated with the military regimes when rule is virtually by decrees. Let us illustrate with the Land Use Decree of 1978. Ake captured beautifully the idea of its use as actually a means of accumulation by force⁶:

Ostensibly the rationale for this decree was to facilitate development by removing the constraints on the availability and more economic use of land. But its latent function, far more significant than its manifest functions, was to increase enormously the power resources and access to surplus of those who have executive control of the machinery of state. It gave them the power to appropriate any house or land, to allocate it to any person or to any use they pleased, for any length

⁶ See Claude Ake, "Nigerian State: Antinomies of a Periphery Formation" in Claude Ake (ed.) Political Economy of Nigeria, Longmans, New York, 1985.

of time they pleased. Ownership of any property rested ultimately on the possession of a certificate or Occupancy issued by the Chief Executive.

We find further corroboration of this position in Koehn's article⁷ where he reports an empirical study of how the Land Use Decree affected the distribution of land ownership in Bauchi and Kano States. His conclusion was basically that since the decree, only segments of the population which had state connections recorded an increase in plot allocation while the rest of the population, including the purely commercial groupings, recorded a decrease. The beneficiaries were mainly "applicants from the state and federal government sector (mainly State Ministry Officials, military/police) and those affiliated with land-allocation agencies".

Again take the Rent Decree of 1976. It was supposedly aimed at controlling rents in the urban areas. But it actually led to an increase in rent, an increase of between 33 percent and 50 percent in affected areas. Because most of the residents in such houses were public servants who therefore had their rents highly subsidised by the state, the real effect of the Rent Decree was actually to legalise the transfer of public funds, as rents, into the pockets of the affected

⁷ See Peter Koehn, "State Land Allocation and Class Formation In Nigeria", Journal of Modern African Studies, 21, 3, 1983.

landlords. But those in charge of state apparatus also owned the bulk of the property in the middle-class residential areas of the urban centres, which were mainly affected by the decree.

Let us take one specific example. Due to the Rent Decree, the rent bill for the accommodation of staff of the University of Ibadan rose from about ₦1,000,000 to over ₦2,000,000 after the decree. Typically one of the houses rented by the university belonged to General Obasanjo, the then Head of State.

The indigenisation decrees also served the same purpose of immersing coercion in the accumulation process. But this will not delay us here for this is a topic that has received due attention by numerous scholars.

All these illustrations show how coercion is immersed in the accumulation process, perverting the reward system, favouring those in custody of the country's instrument of force and placing the rest at a disadvantage. Formal equality and freedom are thus jeopardised, and ipso facto the rule of law. Nevertheless, there are still manifestations of bourgeois rationality. There is evidence of this in efforts made by the bourgeoisie to deal with these specific forms of indiscipline amongst its ranks- Usually these efforts are expressed through probes, enquiries, imprisonment etc aimed at purging members of their coercively accumulated wealth and discouraging such behaviour. The efforts are applied as some form of restitutive⁸ action. But much of the

⁸ We borrow the use of this word from Emile Durkheim especially from its use in his restitutive law. See for instance his Division of Labour in Society, Free Press New York, 1984.

time this manifestations of bourgeois rationality, aimed at upholding the economic aspects of the rule of law, are in themselves partial, selecting some culprits and allowing others; (of same offenders), punishing some lightly, others heavily, just according to the whims of the segment in control of the instrument of force at the time. These inconsistencies are a further manifestation of how really weak bourgeois rationality is in Nigeria. And this follows from the amenability of the state to private use. Its actions are thus influenced by those in whose custody it is. This, however, does not detract from these efforts no matter how indiscriminate, as legitimate attempts at practising bourgeois rationality, to the extent that they are against the use of state as instrument for private accumulation. Now let's take some of these instances:

Manifestations of Bourgeois Rationality

CASE ONE: THE FOSTER-SUTTON TRIBUNAL

Nigerians were in charge of state apparatus at significant and decisive levels from 1952. They were in control at the regional levels, with the coming into being of Nigeria's first federalist constitution, the Macpherson constitution, preparatory to independence.

But even at this early stage of Nigerian history there were already pointers to the manner of future accumulation. Our illustration here was revealed by the Foster-Sutton Tribunal of Inquiry of 1956, which found one of the then most prominent Nigerian leaders,

Dr. Nnamdi Azikiwe guilty of acting in a manner that fell "short of the expectations of honest, reasonable people". Dr. Azikiwe was at the time of the inquiry Premier of the Eastern Region, and National President of the NCNC, which controlled the Region.

The case was triggered off with the lodgement of about £2 million by the Eastern Nigeria Finance Corporation into the African Continental Bank (ACB), where Dr. Azikiwe had controlling private shares. Although the Tribunal could not categorically prove that he influenced this deposit, the suspicion remained strong. It was however, a clear finding of the Tribunal that he exerted influence to encourage the deposit of £30,000 in the bank by the Eastern Regional Production Development Board at a time when the liquid assets of the bank were dangerously low.

Even more important for our purpose was the dependence of the Zik Group of Companies on ACB for working capital. It was for instance clearly shown that the bank bought debentures in the Zik Group of Companies worth £205,000. The Tribunal was thus forced to conclude that he was anxious to retain the financial power inherent in control of the bank and the political power inherent in control of newspapers, in the Zik Group.

But beyond the facade of mere financial and political power, was accumulation, which derived from and supported both. As Richard Sklar⁹ argues, his

⁹Richard Sklar, Nigerian Political Parties, Nok, New York and Enugu, 1963; p.182.

retention of the only important private share in the control of the bank gave Dr. Azikiwe a leverage bound to weigh economically. In other words, it enabled him accumulate by the help of the muscle of government machinery.

It is this line of thought that led the Tribunal to chastise Dr. Azikiwe, stating in their report that he ought to have relinquished his financial interest in the Bank when the proposal to inject public monies into it was first mooted, and that he was guilty as a Minister in failing to do so¹⁰. He did not relinquish his interest; he rather used his political position to strengthen and consolidate his economic base. The tribunal was therefore negating the trend whereby members of the Nigerian bourgeoisie enrich themselves, enjoying greater material benefit for reasons that have nothing to do with their competence as capitalists. To that extent it was a manifestation of bourgeois rationality.

Let us turn to the First Republic.

CASE TWO: THE COKER COMMISSION OF ENQUIRY

The effort which we pin-point here is that which culminated in the Coker Commission of Inquiry Report of 1962. It is a case which involved another very prominent Nigerian figure in these times: ...the Premier

¹⁰ See the Report by the Foster-Sutton Tribunal of Inquiry of 1956; p.42.

of the Western Region, and leader of the Action Group, which controlled the Western Region, Chief Obafemi Awolowo, and his party members. Perhaps we should state that the proceedings of this Commission were reported in ninety-two volumes. This gives an idea of its area of coverage, which would be impossible to deal with in a small segment of a chapter. There is the need therefore to rigidly limit ourselves.

Part of the functions of the Commission was to inquire into the financial and investment policies and practices, and the management and business operations of the region's statutory corporations, which included,

- i) The Western Region Marketing Board;
- ii) The Western Nigeria Development Corporation;
- and
- iii) The Western Region Finance Corporation.

These three were found by the Commission to virtually control the region's economy.

The Western Region Marketing Board was set up in 1954 to arrange and to use its reserves to promote the development of industries. Now, all the members of the board were politicians sympathetic to the Action Group.

Of the £64 million which was disbursed by the Marketing Board between 1954 and 1962, £31 million was granted to Regional Government departments, £10 million was invested in various Nigerian Companies, and £14 million was lent to the Regional government companies, and its other corporations.

The Nigerian Companies in which the £10 million was invested were the National Bank, and the National Investment and Properties Companies Limited (NIPC). The Bank gulped the bulk of £3 million, while the NIPC received £6 million. Now the interesting findings: These two companies, and indeed, most of the other benefitting companies were found to be firmly in the control of Action Group politicians, who used the monies to enrich themselves and to encourage businessmen with the "right political connections".

We turn to the Western Region Development Corporation, which was created to plan and encourage economic expansion in the Region. This in effect meant that it was the government's major avenue for awarding contracts, and the government offered by far the largest source of contracts in the region.

And like every other function embarked on by the Development Corporation which included, siting of factories, concerns to be aided, areas to be chosen for rubber estates etc, the award of contracts- depended on political considerations. Thus the benefactors were AG politicians and supporters.

Now the Western Region Finance Corporation. This was created supposedly to overcome the difficulties which Nigerian concerns had in raising capital. But it was in fact, found to be another means of siphoning money into purses of AG party faithfuls. To begin with the board members were all leading members of the Action Group.

The Corporation was found to have invested £2.3 million in six concerns, four of which were either in difficulty or were bought at inflated prices. In any case, all six concerns were found either to belong directly to members of the AG, or to aid the party, generally.

The syndrome of acquiring economic benefits by affiliation with those in custody of state organs extended even to the grass-roots. The Local Loans Board for instance. They made advance only to farmers who were followers of the Action Group. The Coker Commission found this was the case in all the 209 Local Loan Boards in the Region. As John Mackintosh concluded in his Nigerian Government and Politics (P.436) "between the Marketing Board, the Development and Finance Corporations, the AG had a tremendous hold over the entire economic life of the Region, and real power to determine which individuals... would prosper and which would not".

So that again we find that economic prosperity had little connection with productivity but with coercion, corruption and affiliation with the group in possession of the instrument of ^{coercion} ~~force~~. This was what the Coker Commission was crusading against. It was an effort to expose and negate this trend; that is why it qualifies as a manifestation of bourgeois rationality. However in line with our earlier discussion at the beginning of this work, these two latter efforts reflect the ambiguity and inconsistency of the Nigerian bourgeois in their efforts at bourgeois rationality. Before this can be

appreciated, a little historical background is in order.

At about the period of independence, Nigerian politics had already been established as resting on a triangle of regions - The North, West and East. Each of these regions was for all practical purposes politically homogenous in terms of parties. The Northern Region was controlled by the Northern Peoples Congress (NPC), the West by the Action Group (AG.) and the East by the National Council of Nigeria and the Cameroons (NCNC).

Dr. Nnamdi Azikiwe, the man indicted by the Foster Sutton Tribunal was Premier of the Eastern Region, at the time of the Foster Sutton enquiry. At the time of the Coker Commission Chief Obafemi Awolowo was the leader of the Action Group, and national leader of the opposition in parliament. His party was in control of the West. Each of the parties explored ^{and}exploited any available means of quashing the other. Parties opposed to NCNC found a chance in the conduct of Dr. Azikiwe reported above, while the NPC found its chance in the feud between the Nigerian National Democratic Party led by Chief S.L. Akintola, who broke away from the AG to form his own. This was however after he had taken over premiership from Chief Obafemi Awolowo in 1959; shortly after which he became an ally of the NPC, that formed the Federal government. It was therefore not surprising that the Coker Commission instituted by the Federal Government found Chief Akintola guiltless, while giving the impression that Chief Awolowo was "no more than a common thief who did nothing for the people of Western Nigeria, except rob

them to build a so-called financial empire here and abroad"¹¹.

Professor Aluko was to rightly perceive and interpret the double-standards and partiality involved in the efforts of the bourgeoisie in enforcing the rule of law.

Extensively, we quote him:

In 1955, the Foster-Sutton Commission that probed the finances of some corporation investments in the Eastern Region found the then Premier of Eastern Region guilty on all grounds, even when the large investments in the African Continental Bank and a number of other investments were ratified with or without the knowledge of the then Premier....

All other participants in the 'fraudulent conspiracy' were referred to as mere tools in the attempt of a single leader to build for himself and his family a financial empire.

The agents used in the desecration of the then Premier were his most favoured lieutenants. The lieutenants were aided by opposition parties in the criminal conspiracy....

In 1962, a similar Coker Commission of Inquiry which probed similar Western Regional

¹¹ See H.A. Oluwasanmi's "A most infamous rationalization", Daily Express, 28th and 29th, 1963; reproduced in Obafemi Awolowo, The Travails of Democracy, Evans, Ibadan, 1987, pp 337-353.

investments found the Premier of the Region guiltless on all grounds, even though he was himself a chairman (for two years) of one of the corporations; he presided over the approval of investments; instructed that rejected loans be approved; his cabinet (on which he presided) negotiated, investigated and paid over £2.7 million for the acquisition of companies and landed properties; and he personally intervened in the personnel affairs of the corporations.

Yet he knew nothing about the alleged massive irregular practices in the six corporations and their investments on which the Commission came down so heavily.

The parallel between the East in 1956 and the West in 1962 is clear. One Premier was a wanted person the other was a favoured person.

In 1956, even though many nationalists violently condemned corruption in public affairs, they could not resist pointing out the partiality against the premier of the East.

Equally in 1962, even though many nationalists condemned, and should condemn, corruption more loudly than they did in 1956, they should condemn the obvious

partiality in favour of the Premier
of the West.

Corruption by public officials and
corporations will never decline in
Nigeria, as long as many who are known to
have participated in and profited by them
can be patted on the back and paraded as
the nation's arch-angels, once they make
the right friends and have the right
connections.

The findings and recommendations of the
Coker Commission with respect to the Finance
Corporation fell far short of what is
expected of an impartial enquirer¹³.

It is possible to argue that in certain aspects of this
statement the professor exaggerated slightly, but he
certainly grasped the question of the contradictions,
inconformities and ambivalence of the Nigerian bourgeoisie
in dealing with bourgeois irrationality in its midst.
The efforts smack of double standards, swayed by the selfish
whims of those in possession of the society's instrument
of force. Nevertheless they are manifestations of bourgeois
rationality, even if weak. Let's take one more.

CASE THREE: THE JUSTICE BELLO PANEL

Shortly after the fall of Nigeria's second republic,
the military that took over power set up various bodies
to probe the sacked civilian governments of the period
(1979-1983). Explicit efforts were made by this segment

¹³ See S.A. Aluko, "What Disgusts Me In The Coker Report,
Sunday Express, 27/1/63.

of the Nigerian bourgeoisie to deal with those who had used public office to amass wealth. Of course the weaknesses which attended the earlier attempts at this, as in the above examples also manifested. But again, these weaknesses do not annul the efforts as manifesting bourgeois rationality. They were bold attempts at recovering coercively accumulated property from private hands. Most of public officers were tried under, a decree called the Public Property Decree No. 3 of 1984, and those convicted sentenced to long prison terms, of up to 21 years and beyond. This was in addition to their having to return what they were adjudged to have amassed taking undue advantage of their possession of state instruments. Here is a short list of some of the convicts and what each was meant to refund to the state.

<u>Name of Accused Persons</u>	<u>Wealth Amassed by Coercion</u>
1. Mr. Victor Masi	Over ₦1,050,000 and a majestic house (value unstated).
2. Simon Nwokoma	₦655,000.
3. Col. Peter K. Obasa	₦7,233,637.24 and £47,000 separately.
4. Raymond Fernandez	Over ₦2,270,502
5. Chief Busari O. Adelokun	₦155,000
6. Prof. G.A. Odenigwe	₦804,218
7. Oluwole A. Okania	\$362,000 and £85,000 separately
8. Prof. Ambrose Alli	₦983,000
9. Augustine Nuse Omolaiye	£100,000

10.	Sam O. Iredia	£300,000
11.	Imoran A. Salani	₦263,032 and a Mazda van
12.	Prince J. Eweka	₦600,000
13.	Joseph A. Adebonyan	₦459,737.34; a house and two taxis
14.	Alhaji Adamu Atta	₦2 million
15.	Samuel O. Soyemi	₦30,000
16.	Yisa Oladoyinbo	₦25,000
17.	Dr. Solomon Ayodele	₦20,000
18.	Alhaji Barkin Zuwo	Over ₦3 million
19.	Alhaji Wada Abubakar	Over ₦350,000
20.	Alhaji Abubakar-Rimi	₦593,000
21.	Dr. Garba Nadama	Over ₦5.5 million
22.	Alhaji Mohammed Bachaka	₦150,000
23.	Aper Aku	₦206,479
24.	Solomon Lar	₦32,891,000
25.	Alhaji Mohammed A. Awwal Ibrahim	₦280,000
26.	Alhaji Abdu Tawakin	
27.	Tofa	₦265,000
27.	Alhaji Bukar Ngamadu	Over ₦60,000
28.	Mrs. Ladi Netimah	₦845,305.68
29.	Dr. O. Fawibe	₦\$5,623,054
30.	Mr. Sam Ifeka	£7,356,721.95

This probably yet represents none of the boldest efforts of the Nigerian bourgeoisie to deal with the specific indiscipline of negating the rule of law in the accumulation process. We now turn to the case of liberal democracy, the political correlate of the rule law, to further pursue the argument of the weakness of bourgeois rationality in Nigeria.

III LIBERAL DEMOCRACY

Recall that the rule of law restraints particular capitals in the competition amongst themselves, so there is some order enough to maintain the competition and minimise unfair advantage. This way the reward system rests on merit, on greater efficiency and productivity, and the society in general thus benefits from the free play of market forces. But more significantly for us, accumulation can proceed uninhibited as a result of the rule of law. Otherwise, coercion is immersed in the production process. This negates the formal freedom and equality necessary for the continuous but veiled exploitation of labour, following the rule of law, as equals enter into contract. But if owing to lack of discipline the rule of law is disregarded and coercion immersed in the labour process, the bourgeoisie is no longer able to disguise exploitation as fair exchange. Conditions of formal freedom and equality are nullified. But these are precisely what operationalise the law of value.

Now this is the tendency in the Nigeria case. Because of the weak economic base of the Nigerian bourgeoisie, and the character of the Nigerian state, especially its limited autonomy, the state is employed as a means of private accumulation. Thus coercion is introduced in the accumulation process, subverting the rule of law. As we have explained this endangers social capital, especially its extended reproduction by negating

the conditions which operationalise the law of value.

Now because the bourgeoisie tends to accumulate through access to the state which itself has limited autonomy and is thus amenable to being employed for private purposes, the inevitable outcome is a Hobbesian struggle for power. The struggle for power assumes an all-consuming dimension. Like the competition in the economic arena competition for political office becomes as well normless, with members of the bourgeoisie relegating restraints necessary for the survival of social capital. Rather, as Ake puts it,

Contending groups struggle on grimly, polarizing their differences and convinced that their ability to protect their interests, and to obtain justice is coextensive with their power. That creates what I might call the politics of anxiety. In this type of politics there is deep alienation and distrust among political competitors. Consequently, they are profoundly afraid of being in the power of their opponents.

This fear, in turn, breeds a huge appetite for power, which is sought without restraint¹⁴.

This way everything is mobilised towards capturing the state. And once it is captured everything is done to hold on to it, including the use of coercion. This is why bourgeois rationality regarding this tenet of liberal democracy is weak in Nigeria, for the introduction

¹⁴ See Claude Ake (ed.) Political Economy of Nigeria, op cit, pp 10-11.

of force into the arena of politics necessarily negates the liberal democratic principles of formal equality and freedom which provide ideological cover for exploitation to continue, and for social capital to expand, peacefully.

Having seen why bourgeois rationality regarding the tenet of liberal democracy cannot but be weak in the country, let us now move on to historical materials. As usual we shall establish a background which gives an idea of the general trend and then relate incidents which give evidence as well of bourgeois rationality. For as we have said before to argue that bourgeois rationality is weak is to argue that in spite of the general bourgeois irrationality of the class in question, there are also manifestations of bourgeois rationality. Remember that the key things to look out for are the principles of formal freedom and equality. These are the basic principles of liberal democracy; and they are subverted by the introduction of coercion in the political process.

Manifestations of Bourgeois Irrationality

First a brief historical note. So far, Nigeria has had two republics. The first, which lasted from 1960-1966; and the second, 1979-1983. Since the patterns which we wish to demonstrate recur in each of them; it may well do to dwell on one, and avoid fruitless repetitions. We choose the latter for demonstration because the historical materials are fresher and would therefore be more interesting.

CASE ONE: 1979 TRANSITION ELECTIONS

Although a case could be made for the exemption of the transition period which includes for example elections which ushered in the second republic because it was supervised by the military, there were still discernible acts of coercion, in the political process. We witness coercion even under the supervision of a 'disinterested' regime because we were dealing with a regime that, as Ake has rightly pointed out, had very clear ideas about who they wanted to succeed them. They wanted to install a segment of the bourgeoisie that would for instance not bother with probing their misdeeds. It is therefore not surprising that the succeeding Shagari government did not probe the one before it as is usually the case.

Besides, the Shagari government gave strong indications of its military backing in the utterances of top members of the civilian government, including those of President Shagari himself, to the effect that there were only two political parties in the Second Republic: the National Party of Nigeria (NPN) of President Shagari and the army. This comes out clearly in Falola and Ihonvbere's book¹⁵. The statements underlined the unpublicised accord between both parties. But why did the military choose the NPN, and not any other party for coercive installation?

There were five political parties in the 1979 elections. The Nigeria Peoples Party (NPP), the Great

¹⁵ See their jointly authored The Rise and Fall of the Second Republic, Zed, London, 1985; p 226.

Nigeria Peoples Party, (GNPP), the People's Redemption Party (PRP), the Unity Party of Nigeria (UPN, and the National Party of Nigeria (NPN). From the onset it was clear that the NPP, GNPP and PRP were highly localised parties, hardly capable of capturing more than two states going by their ethnic bases.

It was only the UPN and NPN which had considerable spread. Although, the UPN had an ethnic base it spread considerably into about five states, all the former states carved out of the old Western Region, which was almost homogenous in its ethnic make-up. It therefore had a fair chance in the race. And so did the NPN. The military then had to choose between the UPN and the NPN. The choice seemed obvious.

Obafemi Awolowo was the leader of the UPN and was clearly domineering. This showed in the fact that he was both party chairman and presidential candidate. In the past, he had consistently been critical of the military: from when it reneged on its promise to hand over power to civilians in 1976. He had also made it clear that he would probe the military if voted into power. By all these, Awolowo and his party definitely did not present a good choice for the military.

Then the NPN. This was made up of political notables from all parts of the federation, many of whom were

discredited and corrupt politicians of the First Republic. The military therefore felt safer to hand over power to this formidable corrupt ensemble, who being corrupt themselves would hesitate to expose the corruption of the military. In any case, it was never known that it ever thought of probing the military.

However, what is important for us is how the military then coercively installed its favoured camp, the NPN. The first two elections in the 1979 general elections seemed to accord with the aspirations of the military regime. The NPN was in the lead: this probably led Obasanjo and his men to feign neutrality giving the impression that the Federal Electoral Commission (FEDECO), was solely in charge. But the developments in the elections understandably perturbed Awolowo. He knew that recriminations with the NPN about foul play in the electoral process would not do. He rather moved fast, going into an alliance with the GNPP while wooing the rest. He seemed to have recorded success for he proceeded to make announcements which suggested that a broad base coalition had been formed with all the other three smaller parties. He urged his supporters to vote in that spirit as follows in the next election i.e. the governorship elections:

PRP in Kano and Kaduna, NPP in Anambra, Imo and Plateau; GNPP in Bauchi, Borno, Cross River, Gongola, Niger, Rivers, and Sokoto; and UPN in Bendel, Benue, Kwara, Lagos, Ondo, Ogun and Oyo. These reflected the various strongholds of the parties in the agreement. If the military was to install the NPN as it envisaged, this arrangement had to be annulled. With this in mind it became a matter of course that FEDECO rejected the

Awolowo arrangement on the excuse that it should have been made four days to the election date. The military was however widely believed to have been behind the rejection. Future actions was to lend credibility to this belief.

As Ithonvbere and Falola¹⁶ recorded, the UPN observers who were sent to oversee elections in the Northern States where the party suspected that there would be mass rigging were arrested and detained. It was widely believed that the military ordered their arrests and detention. Coercion was however to become even more manifest after the presidential election ended without a clear winner, the contest being basically between Obafemi Awolowo of the UPN, and Shehu Shagari of the NPN.

SS 126(2) of the 1979 constitution stipulated in clear terms that "A candidate for an election to the office of the President shall be deemed to have been duly elected where, there being more than two candidates for the election (a) he has the highest number of votes cast at the election; and (b) he has no less than one quarter of the votes cast at the election in each of at least two-thirds of all the States of the Federation."

Shehu Shagari satisfied condition (a), having polled the highest number of votes, 5,688,857 to UPN's 4,916,651. He however did not satisfy condition (b); not having polled one ~~w~~quarter of votes cast in 13 States out of the 19 of the entire federation.

¹⁶Op cit, p.69.

From this point on, Shagari needed come coercive support for the rules to be bent for him. The National Legal Adviser of the NPN, Richard Akinjide started an argument (in the light of Shagari's performance) that two-thirds of 19 was $12\frac{2}{3}$ and not 13 as was the earlier consensus. He argued therefore that all Shagari needed to win, beyond the one quarter in each of twelve states which he already had, was another one quarter of two-thirds of votes cast in a thirteenth state. And that Shagari already had.

This was a completely novel interpretation, suddenly concocted to suit the NPN. The evidence is clear; for statutorily, two-thirds of 19 was not taken to be less than 13 before this time by the military, FEDECO, or any other body for that matter. The FEDECO itself had insisted that a necessary condition for the registration of political parties was that they must have offices in the Federal Capital Territory, Abuja, and in at least 13 States of the federation, (not $12\frac{2}{3}$ states of the federation).

Another condition stipulated by FEDECO for the registration of any political party was that its executive body must draw its membership from at least 13 states of the federation. Again not at least $12\frac{2}{3}$ states. To add to these, FEDECO had also insisted that political parties must field candidates for the gubernatorial race in at least 13 of the States of the federation. Once again, not $12\frac{2}{3}$ states.

These besides, the Constitution Drafting Committee, CDC, which produced the constitution accepted that two-third of 19 states was 13 states. As if acting on a

premonition, Bala Usman, a university history teacher who was a member of the CDC had infact bluntly asked how two-third of 19 should be interpreted. The Chairman of the CDC, constitutional lawyer of repute, Rotimi Williams answered in unequivocal terms, that it was 13. Some members were not immediately satisfied. And as Oyediran recorded ¹⁷ another member, "... Dr. Ahmed interjected that wtwo-thirds of 19 states was $12\frac{2}{3}$ (but Rotimi Williams replied that just as we could not have $\frac{2}{3}$ of a person, so we could not have $\frac{2}{3}$ of a state, and that $\frac{2}{3}$ of 19 states was 13 states". The rationale being that States are persons, but legal persons.

Nobody raised questions about this interpretation; at least neither the military who empowered the CDC nor Richard Akinjide, who himself was a member of the Constituent Assembly that ratified and endorsed the constitution. In fact, Akinjide is quoted by Oyediran ¹⁸, as having boasted regarding the presidential elections that only the NPN's candidate could poll the highest votes cast " and also 25 percent in at least 13 states in the country".

By this interpretation, no one won the presidential elections, and the constitution anticipated such a situation. Hence it provided in SS 126(3) that "in default of a candidate duly elected in accordance with

¹⁷ See Oyeleye Oyediran (ed), The Nigerian 1979 Elections, Macmillan, London, 1981, p.142.

¹⁸ Op cit, page 142.

subsection (2) of this section there shall be a second election in accordance with subsection (4) of this section at which the only candidates shall be

- a) a candidate who secured the highest number of votes at any election held in accordance with the said subsection (2) of this section; and
- b) one among the remaining candidates who has a majority of votes in the highest number of states, so however that where there are more than one candidate with a majority of votes in the highest number of states, the candidates with the highest total of votes cast at the election shall be the second candidates for the election".

SS 126(4) anticipates further that "in default of a candidate duly elected under the foregoing subsections, the Federal Electoral Commission shall within 7 days of the result of the election held under the said subsections, arrange for an election to be held.

- a) in each House of the National Assembly; and
- b) in the House of Assembly of every state in the federation, with a view to determining which of the 2 candidates shall be elected as President, and the candidate who has a simple majority of all the votes cast at such election shall be deemed to have been duly selected as President".

The significance of all these here, is that FEDECO should have held another election for Shehu Shagari and Obafemi Awolowo. It did not. That was too much of a chance for the military to take. Too much was at stake.

Coercion had to be employed FEDECO accepted Akinjide's interpretation. And so did the courts! Shagari was installed President.

The reinterpretation and the subsequent installation were actually the culmination of numerous more covert coercive moves. It was, for instance, a newly appointed Chief Justice of the Federation, Atanda Fatai Williams who upheld FEDECO'S declaration of Shagari as President-elect. He was hurriedly appointed by the military in the heat of the two-thirdx controversy in anticipation that the case might finally get to and be settled by the supreme Court. A Pro-NPN Chief Justice was needed immediately. Awolowo in fact alleged, following the narration of Falola and Ihonvbere ¹⁹ that Shagari was indeed in touch with Obasanjo, and that he (Shagari) actually chose Atanda Williams from a list supplied by Obasanjo.

When we move further to pose the question, why the hurry? Why couldn't a new appointment just wait a few days for the in-coming administration? It becomes clear that coercion was obviously being immersed in the political process, subverting the basic conditions of formal freedom and equality.

CASE TWO: THE 1983 ELECTIONS

Having managed to escape with a narrow victory, following the last minute re-interpretation of electoral rules by FEDECO and the supervising Federal Military Government, the NPN was determined to record a landslide victory in the 1983 elections. The NPN plan for

¹⁹ See The Rise and Fall-----; op cit, p.73.

winning the elections, not only in 1983 but also in 1987x titled "Strategic 1983/87 Tactical Plans: A Report of the Strategic Force", for instance, considered it inconceivable that the NPN could lose an election supervised by the NPN Federal Government

Through the period between 1979 and 1983, the NPN studied the political alignments to determine how to exploit rifts in opponent camps. It was determined to enhance its supremacy.

Early in the Republic, the NPN entered into an accord with the NPP which was to become the basis of acrimony between the two parties. The accord came up against a sharp contradiction regarding the NPP's main base of support in the three state governments that it controlled (Anambra, Imo and Plateau), and the attempt by the NPN to weaken its opponents in all the non-NPN controlled states. The ensuing crisis was not helped by the participation of the three NPP governors, in the meeting of the twelve non-NPN governors, the "Progressives", convened to coordinate policies and opposition against the NPN .

The twelve included the two PRP governors of Kano and Kaduna States, whose party entered into negotiations with the NPN towards the eve of the second republic. This was when a rift developed in the party. On the one hand was the Aminu Kano (party Chairman) and S.G. S.G. Ikoku (Secretary) led faction which compromised and was ready to be subjugated under NPN umbrella. On the other hand were the more socialist-oriented members of the party led by a veteran labour leader, Michael Imoudu, and solidly backed by the two PRP governors in Kano and Kaduna.

There was also a rift in the GNPP to be exploited. In 1982 the leader of the party, Waziri Ibrahim openly disagreed with the majority of his party's National Executive Committee over the latter's wish to enter into a Progressive Peoples Alliance by the four opposition parties - the UPN, NPP, GNPP, and the ^{Imoudu-}led PRP. Waziri Ibrahim was duly sacked from the party and replaced with Shettima Mustafa, by the other leading members of the party and negotiations for the merger continued. Eventually the UPN backed out leaving the other three-the Shettima Mustafa led GNPP, the NPP, and ~~Imoudu~~ -led PRP to merge into a Peoples Progressive Party (PPP). The way it stood: the PPP was in control of seven states, same number as the NPN. It therefore had a good chance of winning the elections, if registered, especially with a possible rapport with the UPN. But predictably it was not to be registered. Coercion just had to be exerted by the ruling NPN to ensure this. First it made sure that recognition was not accorded the Imoudu faction of the PRP, inspite of the fact that this included the PRP governors, and a significant number of federal and state legislators. Instead the FEDECO gave recognition to the Aminu Kano faction which controlled no government, had experienced tremendous depletion of its ranks, and was clearly then a mere de factor arm of another party, the NPN,.

It was the same with the GNPP. It was to the weak arm of the party led by Waziri Ibrahim, who was duly expelled for incompatible aspirations with the majority of the party membership especially its executive,

that FEDECO chose to accord recognition. More inexplicable if control of FEDECO by NPN is to be ruled out, is the refusal to register the PPP itself; a party which had fulfilled all basic requirements for registration; with a national spread of support comparable perhaps only to that of the NPN.

The lack of autonomy of FEDECO became even more evident when it denied an already registered and existing party, the NPP, a mere change of name to PPP and a slight amendment of its constitution. The FEDECO, the arm of state acting as referee in the political contest had become privatised; employed in the interest of the party in control of the state. Coercion was immersed in the competition.

This argument probably receives a firmer support when it is seen that in one breath: as PPP was being refused registration by all means, another party, the Nigeria Advance Party (NAP) with a superficial base and weak leadership structure was being registered by FEDECO. The party was registered essentially to split the vote of the ethnic-based UPN, the greatest threat to the NPN²⁰. Obafemi Awolowo, leader of UPN, and Tunji Braithwaite, leader of NAP, were both from the same Yoruba ethnic group.

A fact established by opponents of the NPN as Richard Joseph notes, was that "they were now in competition not only with the NPN itself but also with the theoretically non-partisan institutions such as the police, the government-owned media, and the

²⁰ See Claude Ake, "Presidential Address to the Nigerian Political Science Association, 1982" in Africa Development, vol. 1X No.3 1984, p.12.

electoral commission"²¹. In other words the state had been properly immersed in the struggle between factions in society, negating the basic conditions of freedom and equality. This observation was even to receive greater justification. And one action which greatly underlined the fact that the ruling party was completely controlling and using FEDECO was the unnecessary and uncalled for change in the order of elections from what obtained in 1979. Instead of the presidential election coming last, it shifted to the first. This is inspite of the fact that all the parties, except of course the NPN, wanted the 1979 order retained. The NPN enforced the implementation of its suggested order of elections because of the advantage it would solely derive.

The 1979 order would have enabled the different parties know their various strongholds in the earlier less important elections and thus devise strategies to beat the NPN in the critical presidential election. This chance was ooviated, by strategies of the NPN, enhanced largely by its being in control of the state apparatus. The 1979 order would certainly have enhanced the checking of election irregularities before the most crucial presidential race. Anticipating this the NPN had to employ coercion to have its way. It was crucial for it to have won the most important presidential election before rigging strategies are exposed and checked. Richard Joseph grasped the other advantages of the new order of elections for the NPN.

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See Richard Joseph, Democracy and Prebendal Politics in Nigeria: The Rise and Fall of the second Republic Cambridge University Press, 1987, P 166.

An NPN victory in the first vote of 6 August-giving it the Presidency, and thus the central government-would enable it go on and rake up landslide votes in the other elections, because of the discouragement of opposition parties, the willingness of electoral and police officers to serve the wishes of what was already going to be the next government, and the desire of many candidates to be part of the bandwagon rather than risk being cut off from the largesse of the central government for another four years. The complete reversal in the order of the elections gave NPN strategists the opportunity to use their control of the various instruments of government, in a concentrated way, to keep their opponents off-balance, and to arrange a massive vote total for Shehu Shagari by a combination of legitimate and illegitimate means²².

And just a few weeks before the first election in 1983, a revised voters register was published with a preposterous list of 65,304,818, much higher

²²Op cit, P.142.

than the unbelievable figure of 48,499,091 voters of 1979 reflecting an unimaginable increase of 18 percent. The Economist of 6 - 12 August 1983 understood the meaning of all these and concluded that the elections were in effect over before they began with the publication of the new register. With the help of FEDECO officials, the NPN had inflated the figures to reflect its regional strength hence the northern states recorded an aggregate 33 percent increase, the eastern states 25 percent, and UPN dominated western states, 12.3 percent. NPN strongholds within states controlled by the opposition parties were also known to have multiplied their voting population by as much as ten. Modakeke in UPN controlled Oyo State was one such example.

The extent of the violation of the impartiality of state forced NPN opponents to become grossly sceptical of even lucid and constitutionally guaranteed provisions. One of such sceptics, Abubakar Rimi, the radical PRP governor of Kano State, had to resign his office four months to the elections believing that since his party was divided, and all attempts to register his faction under a new combination of parties had failed it was not beyond the NPN to summon coercion to prevent him from contesting the elections under the umbrella of another party, the NPP. Rimi's scepticism was justified. At least judging by the length that FEDECO went to prevent Borno State's GNPF governor, Mohammed Goni, (who was in exactly the same situation as Rimi would have been, if he had not

resigned), from contesting under the platform of the UPN. It took the Supreme Court to quash the FEDECO decision which it said, was based on a deliberate misinterpretation of clear constitutional provisions. All just to fulfil a whim of the ruling NPN party.

If the judiciary seemed to maintain autonomy as an impartial arbiter, it was to lose it as the elections began in earnest. Politics in Nigeria, as Ake notes in his 25 May 1981 West Africa article, assumed its true character as an all consuming business. So that even the last arbiter of conflict in society, the judiciary was fully immersed in the struggle between factions. Justice lost its formal and universal form. It became only as seen by particular perspectives; informed and coloured by private interests. And judges appeared as mere representatives of splinter groups. For instance in Anambra State, which was under the control of the NPP, 1979 - 83, Justice Emmanuel Araka nullified the election of C.C. Onoh (the NPN candidate), who had been declared elected by FEDECO. After some verifications, he found the NPP candidate, the incumbent Governor Jim Nwobodo, duly elected. But the Supreme Court under the sway of the NPN federal government was to finally endorse C.C. Onoh's election.

Nnamdi Azikiwe, President in the First Republic, and presidential candidate of the NPP in the 1979 and 1983 elections was so irked by this 'loss' of even his home State - Anambra - to the NPN that he poured

out his frustration in a widely circulated article, "History Will Vindicate The Just" resting his case with God:

... It is an irony of fate that these politicians have become so intoxicated with the lust for power that they are now in league with unpatriotic Lucifers in human form to destabilise Nigeria as a democracy based on popular sovereignty which is conventionally determined by a free and fair election ----- I am supremely confident that Almighty God will frustrate their navery and ultimately expose their machination and consign them to the scrap heap of forgotten tyrants.

History will continue to vindicate ^{the} just and God shall punish the wicked.

Azikiwe was not alone in his helplessness to get judicial redress. Obafemi Awolowo who in the past had demonstrated his religious faith in the judiciary, being himself a distinguished lawyer, was also frustrated. After the 1979 elections, following his belief in the courts, he engaged the NPN in a running legal battle which eventually ended in the highest court of the land, the Supreme Court. But the events of 1983 completely overwhelmed and confounded him. He was to state

during a press interview²³, what by then had become the obvious that "our judges ... have been corrupted".

All this, is to demonstrate the extent of profound immersion of state in the struggle. Nothing stood above society anymore. Note even the courts and the agents of the law. In fact, the Inspector-General of Police, Sunday Adewusi was so openly partial that he was regarded as a de facto NPN captain. He issued police uniforms to NPN thugs and sent police officers who visibly disapproved of his actions on compulsory leave during the election.

The Police and NPN thugs in police uniform used tear gas to stop people from voting in some areas. Awolowo bore witness in the interview cited above that "In Sokoto, Bauchi and Borno, they did not allow the people to vote at all. In some places they did cast some votes, but in most of the polling stations, the people who came to cast their votes were driven away, and if they refused to go they tear-gassed them. That happened in Sokoto and it happened in Borno, where even Governor Goni himself was teargassed".

To be sure all these were not accidental. They were part of the NPN plan to rig the elections, as revealed by Press reports.²⁴ This plan also advised President Shagari to veto the Electoral Act of 1982 and the Electoral Amendment Act of July 1983 establishing a National Advisory Council on the Mass Media. Following these laws, a body of representatives of the registered

²³ See West Africa, 21 November 1983.

²⁴ See the New Nigerian, 22 February, 1984.

political parties and FEDECO would have been appointed to a council empowered to ensure the impartiality of government owned media which included all electronic media during the electoral period. The body would have also ensured equal access to mass media facilities by all registered parties, and have ~~the~~ the responsibility of announcing election results.

But the NPN was not to spare the media from being immersed in the "all consuming business". It was part of the coercive process. In fact, all government media were mobilised to execute the 'war'. They were utilised in launching tirades at 'enemies', propagating propaganda, and legitimising illegitimate results. Every organ of state was privatised in the struggle for power, violating its theoretical impartiality and negating the basic liberal democratic principles of equality and freedom, critical for the expanded reproduction of social capital.

Let's now turn to the efforts of this bourgeoisie at maintaining the principles of formal equality and freedom in the political sphere.

MANIFESTATIONS OF BOURGEOIS RATIONALITY

CASE ONE: NPN AND SHUGABA

The illustration that we choose is that about the political victimisation of a majority leader in one of the state's assembly: the Borno State Assembly precisely. The man involved was Shugaba Abdurrahman of one of the rival parties: the GNPP.

The background of it all was that the NPN, the ruling party and the GNPP constituted the two major parties in the State's Assembly. But the dominant and majority party in the State was the GNPP, constituting therefore a veritable stumbling block for NPN whims in

the locale. Shugaba, as majority leader, personified that obstacle. He had to be dealt with by the NPN federal might. Coercion was introduced.

In January 1980, barely three months into the Second Republic, as the NPN sought to consolidate its control, President Shagari ordered the deportation of Shugaba to Chad. The government statement said he was not a Nigerian and constituted a security risk in Nigeria. His passport was immediately impounded, and he was bundled out of the country, even before a judicial inquiry was set up to determine whether or not he was a Nigerian. Shugaba was to remain outside Nigeria until his case was decided.

Clearly President Shagari and his NPN party had merely applied the coercive machinery to deal with an opponent. Needless to say, their action was a blatant violation of the constitution in many respects. First his right to personal liberty. He had done nothing to warrant its loss.

SS 32 of the 1979 Constitution for instance states that "(a) Every person shall be entitled to his personal liberty and no person shall be deprived of such liberty save in the following cases and in accordance with a procedure permitted by law.

(a) In execution of the sentence or order of a court in respect of a criminal offence of which he has been found guilty".

Shugaba was certainly not before any court, neither had he been found guilty of any criminal offence.

" (b) By reason of his failure to comply with the order of a court or in order to secure the fulfilment of any obligation imposed upon him by law".

There was certainly no court order requiring the compliance of Shugaba, neither was there an obligation imposed on him by law that he had to fulfil.

"(c) For the purpose of bringing him before a court in execution of the order of a court or upon reasonable suspicion of his having committed a criminal offence, or to such extent as may be reasonably necessary to prevent his committing a criminal offence".

Shugaba was by no means liable to any of these.

"(d) In the case of a person who has not attained the age of 18 years, for the purpose of his education or welfare"

Shugaba was an adult, well over 18.

"(e) In the case of persons suffering from infections or contagious disease, persons of unsound mind, persons addicted to drugs or alcohol or vagrants, for the purpose of their care or treatment or the protection of the community".

Shugaba did not, and no one ever said he fell within the category of persons being referred to here.

"(f) For the purpose of preventing the unlawful entry of any person into Nigeria or of effecting the expulsion, extradition or other lawful removal from Nigeria of any person or the taking of proceedings relating thereto".

Shugaba was not by any stretch of imagination unlawfully in Nigeria; at least no court had so determined. Besides,

the constitution states clearly in SS(5) that "every person who is charged with a criminal offence shall be presumed innocent until he is proved guilty". To start with, Shugaba was not charged with any criminal offence afortiori being found guilty. Coercion was just on display. But here the state intervened as the case was eventually taken to court. Redress was duly obtained, and the rightful status of Shugaba as a free Nigerian citizen was restored. Here we see the state exhibiting autonomy enough to mediate the class struggle impartially. This expression of the rule of law as we have already seen is a manifestation of bourgeois rationality for the rule of law is what enables the operationalization of the law of value, enhancing the extended reproduction of social capital. And at the risk of repetition, it is also what translates to the political and ideological spheres as liberal democracy, reinforcing the impressions of equality and freedom of all, thus guaranteeing the continuous operationalization of the law of value. Let's take another case supporting this tenet of manifestations of bourgeois rationality.

CASE TWO: REVENUE ALLOCATION PROBLEM OF 1980

Naturally the issue of revenue allocation is very important for the Nigerian bourgeoisie. The significance of it comes into sharper focus, once we remember that basically this bourgeoisie with a weak material base depends on the state for accumulation. So that control of the state at whatever level forms the basic means to wealth. Much of this tendency we saw earlier. Those who control the central government then want to keep as much control of the national revenue as possible, while those at the state level want as much share of the revenue as it can get as well. It is this struggle for greater shares of the national revenue between the federal and state government that forms the basis of this illustration.

And quite naturally the struggle from the side of those at the state level is likely to be more from those states not controlled by the party in charge of the centre, for being in opposing parties (going by the nature of Nigerian politics) further limits their chances of assistance from the central government.

Now the NPN was in charge of the federal government in the era under discussion and Shehu Shagari was President. It was in his desperate bid to get as much of the resources controlled by the central government and thus by the NPN that he introduced coercion into the legislative process flouting the rules of the game. But let's take the matter from its genesis²⁵.

Following demands for the revision of the revenue allocation formula being used at the time, the Okigbo Commission was set up in 1979. The one to be reviewed was based on the Abovade Committee report of 1977. By 1980, the Okigbo Commission was ready with its report. It recommended that the pool account should be shared along these percentages: 53 for the Federal Government, 30 for the State governments, 10 for Local government Councils. The remaining 7, according to the recommendations, was to be shared thus: 2.5 for the initial development of Abuja, the Federal Capital Territory; 2 for special problems of mineral producing areas; 1 for ecological problems including flood control, erosion, desertification etc, and 1.5 as revenue equalisation fund.

The Federal Government accepted the Okigbo Commission recommendations but with a few modifications: 55, instead of 53, for the Federal Government and 8, instead of 10 for Local Governments. The Federal Government explained that the increase of its share of revenue from 53 to 55 percent was so it could adequately carry the financial burden involved in the discharge of its functions.

²⁵ See Nwabueze, B.O., Federalism in Nigeria Under the Presidential Constitution, Sweet and Maxwell, London, 1983, pp 202-208.

This modified version was sent as a presidential bill to each of the Houses of the National Assembly for debate. The senate ended up modifying it thus: 58.5 percent for the Federal Government, out of which 2.5 percent was for the initial development of Abuja and 1 percent was for ecological problems; 31.5 percent was allotted to the states, out of which 2 percent was to be channelled to mineral producing areas in direct proportion to value of minerals got from the those states; 3 percent was to go to a fund to be administered by the Federal Government for the development of particular areas in the mineral producing states; and 10 percent for Local Government Councils. But what to really take notice of at this stage is that the senate left the States with only 26.5 percent of the revenue.

By the time, the House of Representatives finished its own debate, it had a different version. This time 50 percent was allocated to the Federal Government, out of which 2.5 percent was for the initial development of Abuja; 40 percent to the States, from which 3.5 percent was to be for oil producing states; and 10 percent for Local Governments.

The two new versions were now passed to a Joint Committee of the National Assembly for reconciliation. The Joint Committee rather adopted the Senate version by 13 votes to 11. The committee was made up of 24, 12 from each House. The Bill was then sent from the Committee to the President for assent. No more references were made to both Houses, either separately

or jointly. The President, post haste, gave his assent, and the Bill became an Act of the National Assembly.

Now to the snag. The President flouted constitutional provisions to endorse an act which favoured his segment of the bourgeoisie. He flouted the rules of the constitution he swore to protect to achieve a partisan aim. What he did was to use the power of President to attempt to bulldoze his way into achieving selfish ends for going ^{by} the constitution, the decision of the Joint Committee should have been referred back to each of the Houses as SS 54(3) stipulates. This should have required a joint session of the two Houses to debate and vote jointly. And if this had happened, the amendment of the House of Representatives which gave the Federal Government only 50 percent of pool revenue, would likely have been upheld especially if the two Houses voted as before (46 to 37 votes in the Senate and 244 to 171 in the House of Representatives).

The Presidential assent was however challenged in court and quashed. Here bourgeois rationality manifested. The lesson was clear; that nobody was above the law, not even the President; the political process had to be conducted in accordance to the rule of law.

We could go on to give several other examples, but that may be overlabouring the point, and risking over repetition of the same patterns; so we would rather turn to our last tenet of bourgeois rationality and see why and how it is weak in Nigeria.

IV: THE MODERN CREDIT SYSTEM

It should already be clear by now why as a result of lack of autonomy of the state, and weak economic

base of the bourgeoisie, there is a tendency towards normlessness in both the economic and political processes/ as the bourgeoisie function with little restraint. Thus society

gravitates towards the Hobessian state of nature.

In the normless contest of everyone against everyone, suspicion thrives, and trust wanes. That the

existence of capitalism in Nigeria approximates to

this state of affairs has already been treated. The

question we confront now is how this general behaviour

of the Nigeria bourgeoisie weakens bourgeois rationality

with regard to the modern credit system, so indispensable

in ensuring and enhancing the expanded reproduction

of social capital. The credit system is one that rests

on trust built only by restraint or discipline exercised

by particulars. So that once this discipline is not

likely guaranteed, as in the Nigerian case, owing to

the normlessness and unrestrained selfishness of the

Nigerian bourgeoisie in pursuit of their private

interests, the system is already hamstrung. At best

its efficiency would be very adversely affected, for

owing to distrust, every article of transaction has

always to be thoroughly cleared before being admitted

as authentic. This partly explains the gross delays

and inefficiency usually experienced in Nigerian

banks. In the end it is social capital, that is

inhibited.

It is also instructive that there have been several decrees by different administrations in the country to check the issuance of dud cheques, a habit of members of the Nigerian bourgeoisie. And

the fact that there have been several of such decrees shows how deep-rooted the habit is. This general thrust of untrustworthiness also helps to explain why, in spite of the sophistication of economic transactions the world-over, today in Nigeria, there is yet little or no visible use of the credit card. For the use of the card imposes responsibility on its user to exercise restraint, and use it responsibly, buying only within the limits of what he can pay for without much ado. The point being made is that the required discipline necessary to sustain these credit facilities by which social capital benefits and expands is weak in Nigeria. The level of distrust, corruption, dishonesty, greed and normless acquisitiveness is such that cannot enable social capital to fully reap the benefits of the modern credit system.

Let's now examine the general trends, manifestations that tend to negate and limit the benefits of the modern credit system to capitalism.

Manifestations of Bourgeois Irrationality

CASE ONE: FATE OF NATIONAL BANK OF NIGERIA (NBN)

To be sure, the fate about to be narrated is not peculiar to the National Bank of Nigeria, established 58 years ago. Many other banks in Nigeria have the same problem, but it seemed to have been brought more sharply into focus in the case of the NBN. Under the weight of so much bad and doubtful debts over the years the bank, by 1990,

could no longer meet the ordinary cash withdrawal demands of even small customers. Infact "in some branches, customers' demand for the withdrawal of even ₦50 (could not) be met. Customers now (had) to make repeated visits to their banks before making a single withdrawal"²⁶. This is just to demonstrate the level of liquidity crunch, which the bank had been thrown into as a result of the amount of debt involved: about a billion naira²⁷. The condition was so bad that the bank had to be suspended from the bankers' clearing house. The implication of such suspension is that cheques issued by or against the affected bank ^{not} could be honoured. In effect, the bank was effectively cut off from benefitting from the free flow of funds in the banking system. The implication of this for capitalists and capitalism, as a whole should be clear following the analysis in Chapter IV. There is no need to go over the grounds except to note the tremendous adverse effect this trend has on the expansion of social capital, restricting its extended reproduction, by hindering its progress in the course of the circuit of capital.

To ameliorate the situation, the board of Odu'a Group, a conglomerate owned by the Oyo, Ondo and Ogun State governments, and to which NBN belongs made some daring moves; including the publication of

²⁶ See "Crunch at National Bank" in Newswatch, August 20, 1990.

²⁷ Ibid.

a list of their major debtors. The names were published in major national newspapers like the Concord, Tribune, Daily Times etc. That was in December 1989. The result, according to Adedeji Oresanya,²⁸ Governor of Oyo State and Chairman of Odu'a Group, was repayment of a paltry ₦10 million representing only about one percent of debts owed the bank. It might be of interest to note that those who had wrecked the bank through debts include such established multi-millionaries/like Michael Ibru of the ubiquitous Ibru Organisation of Nigeria, and Gabriel Igbinedion, who amongst many others, owns an airline business - Okada Airlines.

The whole point here is just to show how the character of the Nigerian bourgeoisie tends to negate the modern credit system, so necessary for the extended reproduction of social capital.

CASE TWO: FATE OF THE NDE SCHEME

The present situation of the National Directorate of Employment (NDE) is another case in point. This was a scheme, established by the present military regime under President Ibrahim Babangida to help young entrepreneurs with loan capital, especially those interested in small scale industries and agriculture. Successful applicants under the agricultural programme received between ₦11,500 and ₦18,000 while the loan package for those in the industrial programme was between ₦25,000 and ₦50,000.

Now to the tale of woe. The culture of non-repayment, bad credit habits recurred. Officials of the NDE complain of the "appallingly low level"²⁹ of repayment. In Kwara State, for instance out of a total of 740 people who benefitted from the scheme, "virtually none has repayed"³⁰. Hence in that State alone about ₦7.9 million remain outstanding from loans given over two years ago.

In some other states, the picture is even more dismal. In Imo and Bendel States, none of the young farmers who recieved the loans had commenced repayment, over two years after collecting the loans. The effect of all this default is that others may not benefit. Since there is not much repayment being done, the scheme can thus not revolve. The implications of this for capital is obvious. Sooner than later, this scheme especially its section on credit would be crippled. And by that it is capital as a whole that loses. Remember this again is a loss occassioned by the selfish and untrustworthy character of the Nigerian bourgeoisie. Now to more positive manifestations, and efforts of this class in ^{dealing} with this specific nature of indiscipline amongst its ranks.

Manifestations of Bourgeois Rationality

CASE ONE: PEOPLE'S BANK OF NIGERIA

This bank was set up, with an objective similar to the NDE scheme. But it differed to the extent

²⁸ See "NDE Goes Asorrowing" in Newswatch, November 26, 1990, p.41.

²⁹ Ibid.

that it was meant to provide loan capital to small businessmen, traders, artisans, etc. The loans were usually in the range of ₦50 to a few thousands. But they represented capital all the same, to be used in ventures that would return profits.

But unlike the NDE scheme, in the throes of death especially regarding credit, the Bank, first established in October, 1989, has prospects of spreading to all the local government areas of the country. From only about 20 branches in eight states (of the 21-state federation) at its pilot stage (October - December 1989), the bank has grown tremendously. As at the end of May, 1990, it already ^{had} 52 branches.

Infact the implementation Task Force (ITF) constituted to study the operation of the pilot stage recommended that at least ³⁰ 149 branches of the branch be established in 1990 alone, in addition to the already existing 20 branches.

Now to the crux of the matter, what does bourgeois rationality have to do with this? The point is that the expansion is engineered by manifestations of bourgeois rationality- in particular the discipline required to be trustworthy, to repay the loans on the part of the beneficiaries. Perhaps some statistics would help to make the point. According to reports of the ITF, during the pilot stage of the project, ₦5.6 million was given as loans to 8,007 beneficiaries. And as at December, 1989, barely three months after,

³⁰ See "Time for Chest-Beating", Newswatch, July 2, 1990, p.37.

at least ₦251,311 had been repaid although the recipients had a repayment period of over a year. This represented a repayment rate that was 113.20 times more than the Bank's expectation³¹. It is this surprising trend that convinced the then Minister of Finance and Economic Development, Chief Olu Falae, that "the masses of this country have demonstrated that given the right atmosphere, the average Nigerian is reasonably honest and trustworthy"³². And Newswatch appeared to have correctly interpreted the basis of such optimism when it commented³³ that

Olu Falae made the statement based on the fact that the bank's loan beneficiaries have not exhibited some of those unwholesome characteristics which some people say are the trade mark of Nigerians. They have neither misused their loans nor considered them as their own share of the national cake. Rather most of them have been repaying their debts faithfully, even ahead of schedule.

The depth of fidelity is probably still further appreciated with the realization that the loans were given completely without collaterals. This, thus, is a clear manifestation of the essential discipline necessary for the functioning of the modern credit system.

Let's take one more case: this time one that reflects the efforts by members of the bourgeoisie, to stem the tide of indiscipline of this class, regarding credit.

³¹ Ibid.

³² Ibid.

³³ Ibid.

CASE TWO: DECREES AND THE CREDIT SYSTEM

It is already clear how the credit system and the concept of bourgeois rationality are related. The former is crucial, almost indispensable in the extended reproduction of social capital. But the general character of the Nigerian bourgeoisie tends to undermine the very basis of this system. The ubiquity of fraud, indiscipline and dishonesty of the Nigerian bourgeoisie in their bid to strengthen their material base undermines the necessary trust required for the credit system to work well. For as we have already seen the modern credit system rests on trust.

It is against this background that we can fully appreciate the effort of factions of the bourgeoisie to save the system through decrees to curb fraudulence, and restore confidence in it. We find manifestations of this kind of effort under the Murtala-Obasanjo military regime that governed the country between 1975 and 1979. Precisely on 20th May, 1977 the Federal government issued Decree No.44, (cited as Dishonoured Cheques (offences) Decree 1977) to restore confidence in the use of cheques. The Decree "renders it an offence for any person anywhere in Nigeria to induce the delivery of any property or to purport to settle a lawful obligation by means of a cheque which when presented within a reasonable time is dishonoured on the grounds that no funds or insufficient funds were standing to the credit of the drawer of the cheque". Any individual found guilty of this offence was to be sentenced to imprisonment for two years, without the option of a fine, and in the case of a corporate body, be sentenced to a fine of not less than ₦5,000.00.

This decree however did not achieve its goal. This led to the inclusion of a similar attempt in the special Tribunal (Miscellaneous offences) Decree 20 of 1984. Of course this was against the background of the general trends in the behaviour of the Nigerian bourgeoisie especially as it relates to instruments of credit. This decree amongst others deals with habits of fraudulently or knowingly uttering, forging, procuring, altering, accepting or presenting another person any cheque, promisory note or other negotiable instrument knowing it to be false, forged, stolen or unlawfully procured. It also deals with those who "knowingly and ^{by} means of any false representation and with intent to defraud the Federal Military Government or the Government of any state, promises the delivery or payment to himself or any other person of any property or money by virtue of any forged or false cheque, promisory note or other negotiable instrument whether in Nigeria or elsewhere".

And perhaps following the failure of the earlier effort at rescuing the credit system, this later decree stipulates a more severe penalty for defaulters. For instance anyone convicted is now to be sentenced to 21 years imprisonment without the option of fine.

V. SUMMARY

Much of what we have done in this chapter has been to recount historical cases to concretely buttress our argument regarding the weakness of bourgeois rationality in Nigeria. As much as possible we tried not to confine our examples to specific geographical

regions or in fact particular periods of Nigerian history. This is in attempts to demonstrate the pervasiveness and depth of the weakness.

However, we had to truly reflect the reality that in spite of the general indiscipline of the class in question, there are still manifestations of bourgeois rationality. That there are contradictions, mediations and ambiguities. At this point much of our work is done, what remains is to summarise and conclude.

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CHAPTER SEVENSUMMARY AND CONCLUSION

We set out to establish that bourgeois rationality is weak in Nigeria. In doing this we had to first clearly define the concept of bourgeois rationality. We posed the question: What is bourgeois rationality? To answer, there was need to see capitalism as it emerged, its various historical antecedents which shaped its character as a mode of production. With this character emerged the need for bourgeois rationality. We established that social capital consists of particular capitals. But capital even by definition acts self-interestedly. It is egoistic and self-seeking so that if particular capitals act entirely in their interest, the conditions necessary for capitalism to thrive would be jeopardised. So that capitalism must retain and maintain an order if chaos is not to result (as it must when particular capitals act completely without the restraints necessary for the survival of social capital).

It is thus in the interest of social capital for discipline to be exercised by particular capitals. That is the only way capitalism can thrive. In particular that is the way the conditions necessary for the extended reproduction of capital can be maintained. That is the way the law of value can operate, leading to the continuous expropriation of surplus value: the source of the augmentation of capital.

What we are saying is that capitalism is self-contradictory and self-negating. If it must survive collective restraint is necessary. This restraint or discipline is exercised for the sake of the survival and expanded reproduction of social capital. This is the expression of bourgeois rationality. But what are the specific tenets of this concept at least as the experience of capitalism in the Occident reveals? The tenets are derived from the very dynamics of capital.

Notice that capital lives and expands by exploiting labour, which is then paid little in exchange for the much that capital takes. This is exploitation of labour by capital. But this is only possible when labour continuously submits itself to be exploited. The point really is that this exploitation needs to be disguised if this is to be so. It has to be made to appear like fair exchange. This is how it becomes necessary to give the impression that everyone is equal and free under the capitalist system: labour and capital. This way, labour willingly submits to capital which then appropriates surplus-value, to swell itself. The apparent equality and freedom in the market place under capitalism masks the unequal exchange between capital and labour. Thus the law of value can operate.

But how is this necessary formal equality and freedom institutionalised? It is through the rule of

law. Everyone is subjected to law, which in turn protects the rights of all. The law assumes that everyone is a property-owner, even if that property is only labour-power. But in reality labour-power is no property as such. The labourer, for instance, finds he has no property except in himself. So that he is actually under compulsion to sell part of himself to capital in order to survive. And out to make profit, capital pays labour less than it should, using the excess to augment itself: being perpetually in want of expansion. But law generalises and treats both labour and capital as equally free contractors. This is how formal freedom and equality are maintained. Law therefore helps in institutionalising an unequal relation, and legitimatizing the appropriation of surplus-value. This way the rule of law reveals itself as a tenet of bourgeois rationality. By it, the law of value is operationalised, ensuring expansion of social capital. Law gives stability to the bourgeois order and disguises exploitation.

All this is in the economic sphere. In the political, what we find is a translation. There, the rule of law plays the ideological role of reinforcing the principles of freedom and equality; reinforcing in everyone the impression of being free and equal. This is done as the practice of liberal democracy. Everyone is free to contest for election and to govern. Everyone

is free to support any political group of his choice. Each has equal chances of winning in an open and free contest for political office as any other. This way the loyalty of everyone, labourer or capitalist, is gathered by the system. This way the inequalities under capitalism are further obscured as the semblance of formal freedom and equality are reinforced. This, in turn, further ensures stability of the order under which the exploitation of labour can continue uninterrupted and by that the extended reproduction of social capital.

We noted however that within the political arrangement, the chances of a labourer winning in a political contest are very limited. So that what passes actually for elections is really a choice between candidates put forward by the bourgeoisie. Bourgeois democracy therefore emerges as indeed the dictatorship of the bourgeoisie. But all this is done under good cover, ensuring the extended reproduction of social capital in the end. The tenets of liberal democracy, especially those that emphasise formal equality and freedom provide the disguise. It is therefore really in the interest of social capital for members of the bourgeoisie to curtail their selfishness and subject themselves to the discipline of abiding by liberal democratic principles. This again is bourgeois rationality. This particular tenet further allows for the operationalization of the law of value in the sphere of production, though indirectly.

Now once capital leaves the arena of production, condensed in a commodity, it enters into the sphere of circulation. Operations in this sphere require the credit system in many ways. For instance credit is needed in order that production might continue uninterrupted, while the commodity is still in the market. Credit is also needed to ease the problems resulting from long distance transportation inevitable under capitalism. There emerges also the need for a more convenient means of settling bills than through physical cash. These, among several others make the modern credit system almost indispensable to capitalism.

However, this credit system itself rests on trust, the result of the exercise of discipline or restraint by particular capitals. In other words collective discipline is what enables the credit system to function supporting the producer and encouraging the buyer. In the end social capital is what benefits, being perpetually reproduced on an extended scale.

These are forms bourgeois rationality is expressed in the Occident. The Western bourgeoisie exercises restraint enough not to jeopardise the extended reproduction of social capital. But in Nigeria, this discipline is weak. To understand why this is so we had to return to the peculiar manner of the penetration of capitalism into the territory. This had special effects on the nature of the state and bourgeoisie in the country. The state that emerged was one that had limited autonomy, easily amenable to private employment.

And the bourgeoisie that formed was one with a weak material base.

To consolidate their economic base then, members of the bourgeoisie generally act normlessly, employing all manner of expediciencies including the use of the state as a means of private accumulation. The discipline of a bourgeoisie which exercises restraint by playing by the rules for the sake of social capital is weak. Rather in the scramble to strengthen their material base members of the Nigerian bourgeoisie disregard the necessary observances and rules which restrain particular capitals from jeopardising the extended reproduction of social capital.

The rule of law is jeopardised, for instance, as coercion is immersed in the class struggle literally placing some above the law just by their having access to state apparatus. The result is that the formal freedom and equality needed for the law of value to operate is jeopardised. The consequent overbearing importance of the state in the milieu precipitates then an unprecedented struggle for its possession. This results in the subversion of the democratic principles of formal equality and freedom, which serve as ideological support for the capitalist system.

In the scramble for material gains the credit system, so vital for capitalism is also affected. For the trust on which it rests, is undermined by the general

indiscipline of the bourgeoisie. Accumulation takes place as if there existed a state of siege, with members of the bourgeoisie stealing, grabbing and appropriating in the most expedient ways possible. These dishonest practices breed distrust and suspicion which limit the use and benefit of the credit system.

This is why and how bourgeois rationality is weak in Nigeria. Nevertheless, to accept that the concept is weak is already to admit that there is evidence of bourgeois rationality even if limited. So that there are manifestations of bourgeois rationality and bourgeois irrationality. There are contradictions and ambiguities. This complex reality is what we attempted to capture in the last chapter. If this study merely serves to draw fresh attention to the character of the Nigerian bourgeoisie and its consequence even for capitalism in the country, its purpose would have been well served.

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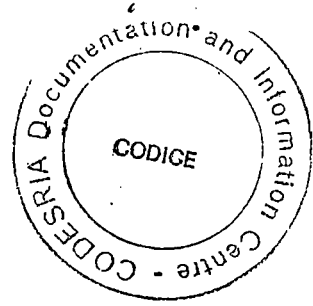
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