

Oil, British Interests and the Nigerian Civil War

Author(s): Chibuike Uche

Source: *The Journal of African History*, Vol. 49, No. 1 (2008), pp. 111-135

Published by: Cambridge University Press

Stable URL: <https://www.jstor.org/stable/40206616>

Accessed: 04-01-2019 04:21 UTC

## REFERENCES

Linked references are available on JSTOR for this article:

[https://www.jstor.org/stable/40206616?seq=1&cid=pdf-reference#references\\_tab\\_contents](https://www.jstor.org/stable/40206616?seq=1&cid=pdf-reference#references_tab_contents)

You may need to log in to JSTOR to access the linked references.

---

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact [support@jstor.org](mailto:support@jstor.org).

Your use of the JSTOR archive indicates your acceptance of the Terms & Conditions of Use, available at <https://about.jstor.org/terms>



JSTOR

Cambridge University Press is collaborating with JSTOR to digitize, preserve and extend access to *The Journal of African History*

## OIL, BRITISH INTERESTS AND THE NIGERIAN CIVIL WAR\*

BY CHIBUIKE UCHE

*University of Nigeria, Enugu Campus*

**ABSTRACT:** Using newly available evidence, mainly from the Public Records Office (now the National Archive) in London, this article attempts to unravel the true extent of the role that British oil interests played in the decision of the British government to insist on a ‘One Nigeria’ solution in the Nigeria/Biafra conflict. While the official position of the British government was that its main interest in the Nigeria conflict was to prevent the break-up of the country along tribal lines, the true position was more complex. Evidence in this paper suggests that British oil interests played a much more important role in the determination of the British attitude to the war than is usually conceded. Specifically, Britain was interested in protecting the investments of Shell-BP in Nigerian oil. Furthermore, Britain was also at the time desperate to keep Nigerian oil flowing in order to mitigate the impact of its domestic oil shortfalls caused by the Middle East Six Day War. Supporting a ‘One Nigeria’ solution was considered its safest bet in order to achieve the above objectives.

**KEY WORDS:** Nigeria, business, economic, oil, war.

### INTRODUCTION

IN January 1970 the idea of an independent Biafran state was crushed when the military forces of the Federal government of Nigeria overran the rebel territories, culminating in the unconditional surrender of the remnants of the Biafran leadership. This surrender effectively brought to an end thirty months of military conflict which arose in the context of establishing whether the oil-rich Eastern Region of the country should stay within the Nigerian state.<sup>1</sup> Not surprisingly, the event has continued to attract widespread attention for some time now. Activists from both sides of the conflict have documented their accounts of the war.<sup>2</sup> Independent commentators and

\* This research has been generously financed by the Institute for French Research in Africa (IFRA). Earlier versions of this paper were presented at the IFRA Seminar in Ibadan, Nigeria (17 Mar. 2005), and the London School of Economics Seminar on Comparative Economic History of Africa, Asia and Latin America (5 May 2005). I thank participants for their constructive criticisms. I am also grateful to Gareth Austin, Sylvanus Cookey and the three anonymous reviewers for the *Journal of African History* for providing useful guidance.

<sup>1</sup> At the onset of the conflict (May 1967), 404,000 barrels of crude oil per day, representing 65 per cent of total Nigerian crude oil production, originated from this region. See Estrange to Davies, 2 Aug. 1968 (Public Records Office [PRO]/FCO/38/321, fo. 54).

<sup>2</sup> See, for instance, O. Obasanjo, *My Command: An Account of the Nigerian Civil War 1967–1970* (London, 1980); A. Madiebo, *The Nigerian Revolution and the Biafran War* (Enugu, 1980); C. Ojukwu, *Biafra*, vol. I: *Selected Speeches with Journal of Events* (New York, 1969); C. Ojukwu, *Biafra*, vol. II: *Random Thoughts* (New York, 1969); N. Akpan,

scholars have attempted various explanations for the causes of the civil war, its execution and attendant social and political consequences,<sup>3</sup> while some commentators have more specifically examined the economic costs and consequences of the civil war.<sup>4</sup> Thus far, however, contributions on the role of oil in the conflict have been limited to speculations on its role in emboldening the Biafran rebels.<sup>5</sup> Very little attempt has been made to determine the true extent of the role played by British economic interests, especially those in Nigerian oil, in influencing the British government's decision to support the settlement of the conflict based on a 'One Nigeria' solution.<sup>6</sup> Most analyses of the motives of the British government have tended to focus on its political calculations.<sup>7</sup>

Using newly available materials mainly from the Public Records Office (London), this article explores the role that the need to protect British oil interests in Nigeria played in influencing the decision of the British

---

*The Struggle for Secession 1966–1970: A Personal Account of the Nigerian Civil War* (London, 1972); and N. Graham-Douglas, *Ojukwu's Rebellion and World Opinion* (n.p., 1969).

<sup>3</sup> See, for instance, S. Cronje, *The World and Nigeria: The Diplomatic History of the Biafran War 1967–1970* (London, 1972); F. Forsyth, *The Making of an African Legend: The Biafran Story* (London, 1978); E. Nafziger, 'The political economy of disintegration in Nigeria', *Journal of Modern African Studies*, 11 (1973), 505–36; J. St. Jorre, *The Nigerian Civil War* (London, 1972); and I. Nzimiro, *Nigerian Civil War: A Study in Class Conflict* (Enugu, 1982).

<sup>4</sup> See, for instance, E. Nafziger, 'The economic impact of the Nigerian civil war', *Journal of Modern African Studies*, 10 (1972), 223–45; E. Nafziger, *The Economics of Political Instability* (Colorado, 1983); R. Ogbudinkpa, *The Economics of the Nigerian Civil War and its Prospects for National Development* (Enugu, 1985); O. Awolowo, 'The financing of the Nigerian civil war and the implication for the future economy of the nation' (paper delivered under the Joint Auspices of the Geographical Society and the Federalist Society of Nigeria, Ibadan, 16 May 1970); O. Aboyade and A. Ayida, 'The war economy in perspective', *Nigerian Journal of Economic and Social Studies*, 13 (1971), 13–35; and C. Uche, 'Money matters in a war economy: the Biafran experience', *Nationalism and Ethnic Politics*, 8 (2002), 29–54.

<sup>5</sup> See, for instance, A. Okolo, 'The political economy of the Nigerian oil sector and the civil war', *Quarterly Journal of Administration*, 15 (1981), 113; A. Kirk-Greene, 'The genesis of the Nigerian civil war and the theory of fear', *The Scandinavian Institute of African Studies Research Report*, 2 (1975), 6–7; E. Nafziger and W. Richter, 'Biafra and Bangladesh: the political economy of secessionist conflict', *Journal of Peace Research*, 13 (1976), 104–5; K. Post, 'Is there a case for Biafra?' *International Affairs*, 44 (1968), 33; S. Diamond, 'Who Killed Biafra?' *Kroniek van Africa* (1970), 45–61; J. Onoh, *The Nigerian Oil Economy: From Prosperity to Glut* (London, 1983), 107–8; S. Pearson, *Petroleum and the Nigerian Economy* (Stanford, 1970), 138–9; H. Bienen, 'Oil revenues and policy choice in Nigeria', *World Bank Staff Working Paper*, 592 (1983), 4; and A. Ikein, *The Impact of Oil on a Developing Country: The Case of Nigeria* (New York, 1990), 65.

<sup>6</sup> As will be shown later, right from the onset of the war, the British government deliberately downplayed the importance of Nigerian oil in its calculations.

<sup>7</sup> This is perhaps because, long before oil became a factor in Nigerian politics, Britain insisted on 'One Nigeria' because it expected that 'A united Nigeria would ... be a major player in African politics and thereby a vehicle ... for maintaining British interests more broadly in an independent Africa. British policy, as it was accepted that self-government was approaching, was determined to create a Nigeria that would be a powerful force in Africa and this required a united Nigeria rather than a balkanized one'. M. Lynn, *Nigeria, Managing Political Reform 1843–1953: Part 1* (London, 2001), lxx.

government to back Nigeria at the cost of Biafra. Although Britain officially hinged its support for 'One Nigeria' on the need to prevent the break-up of Nigeria, and indeed African states in general, along tribal lines,<sup>8</sup> the reality was more complex. Evidence in this paper suggests that British oil interests played a much more important role in the determination of the British attitude to the war than is usually conceded. Specifically, Britain was interested in protecting the investments of Shell-BP in Nigerian oil. In a background note prepared for the Prime Minister on the Nigerian civil war, it was explicitly stated that:

To refer publicly in the House to our economic stake in Nigeria would be inadvisable as it would be misunderstood or misrepresented ... Nevertheless, the facts are that Shell and BP have invested at least £250 million in Nigeria on which we now expect a large and increasing return of great importance to the British balance of payments. Other investments are worth up to £175 million. Our annual export trade is about £90 million. 16,000 British subjects live in Nigeria. All this would be at risk if we abandoned our policy of support for the Federal Government and others would be quick to take our place.<sup>9</sup>

Furthermore, although the Nigerian crude oil export to the United Kingdom, at the onset of the war, was worth only £47 million, representing 10.3 per cent of the volume of UK's crude oil imports, it had great potential and was increasingly becoming vital to the UK economy.<sup>10</sup> This was because the June 1967 Middle East Six Day War, which resulted in the blockade of the Suez Canal, extensively disrupted the supply of Middle East oil to Europe. With the inaccessibility of the Suez Canal route, oil tankers from the Middle East were forced to travel a longer route by going round the Cape. This negatively impacted on both the delivery time and cost of Middle East oil supplies to Western Europe. The ban on oil sales to the United Kingdom by several Arab countries also did not help matters.<sup>11</sup> For the British government therefore, the continued production of Nigerian oil was important in order to mitigate the precarious oil supply position in the United Kingdom at the time. Supporting Nigeria was considered its safest bet in order to achieve its objective. The protection of British oil and

<sup>8</sup> See, for instance, the contribution of Mr. Michael Stewart, the Secretary of State for Foreign Affairs to the British parliament on 12 June 1968 (FCO/65/156).

<sup>9</sup> PRO FCO 65/157. This advice was no doubt accepted as the British government officially downplayed their economic interest in Nigeria throughout the war.

<sup>10</sup> 'Nigeria is important as a source of oil to the UK and to the West as a whole mainly by virtue of its geographical position i.e. it is outside the Middle East and west of the Suez Canal. For the UK, the fact that this is a large supply in the Sterling Area is also of importance. The crude is of good quality, being low in sulphur content, and reasonably cheap to produce. Furthermore, it is expected that within the next few years, Nigeria will join the "big league" of oil producing countries. Shell have told us in confidence that they expect that total production from Nigeria as a whole might by 1971 reach 2 million barrels a day ... 60 percent of which is expected to be from the Shell-BP concessions'. See Confidential 1967 Memorandum, 'Nigerian oil' (PRO/CO 221/45).

<sup>11</sup> See Secret Brief for Minister of State by Ministry of Power, 6 July 1967 (PRO/FCO 38/111, fo. 118).

economic interests was therefore 'important in the argument for H.M.G.s Nigerian policy'.<sup>12</sup>

To achieve its aim, this article is divided into four parts. The first part attempts to show how various factors, ranging from the amalgamation of Northern and Southern Nigeria in 1914 to the post-independence struggle for the control of the national wealth via the political process, triggered a chain of events that culminated in the political crisis of 1966/1967. It also analyses the role of Britain during the crisis in the context of its economic interests. The second part examines the role of oil in escalating this political crisis. In the main, it shows how the struggle by both sides for the receipt of oil royalties, especially from Shell-BP, helped to exacerbate the crisis and how British oil interests contributed to the decision of Britain to shift from its neutral stance to side with Nigeria. The third part examines the various political and economic interests that influenced the situation, and policies adopted by various foreign powers and how these impacted on the eventual outcome of the conflict. The fourth part concludes the paper.

#### ORIGINS OF THE NIGERIAN CIVIL WAR

The origins of the Nigerian civil war have been linked to the 1914 amalgamation of Southern Nigeria and Northern Nigeria by the British government.<sup>13</sup> While it made administrative sense to manage Northern and

<sup>12</sup> Secret Memorandum, 'Nigeria: Cabinet', 10 Dec. 1968, by A. T. Gregory of the UK Petroleum Division (POWE 63/406). It has been pointed out that the evidence in this paper could also be used to contribute to the debate on the role of British businesses in the decolonization process. I have, however, chosen not to extend this research in that direction, partly because, unlike most of the literature on the role of British businesses in decolonization, the period covered by this paper is post independence. Furthermore, the direct impact of the Nigerian conflict on British domestic oil supplies may complicate any analysis in the above direction. This is because, under such circumstances, British business interests and opinions would arguably play only a secondary role. For various views and summaries on the role of British businesses in decolonization, in both specific and general contexts, see: R. Tignor, *Capitalism and Nationalism at the End of Empire: State and Business in Decolonizing Egypt, Nigeria and Kenya, 1945-1963* (Princeton, 1998); J. Milburn, *British Business and Ghanaian Independence* (London, 1977); S. Stockwell, *The Business of Decolonization: British Business Strategies in the Gold Coast* (Oxford, 2000); P. Cain and A. Hopkins, *British Imperialism: Innovation and Expansion, 1688-1914* (London, 1993); P. Cain and A. Hopkins, *British Imperialism: Crisis and Deconstruction, 1914-1990* (London, 1993); J. Hargreaves, *Decolonization in Africa* (2nd ed., London, 1996); and W. Louis, 'The dissolution of the British empire', in J. Brown and W. Louis (eds.), *The Oxford History of the British Empire*, vol. IV: *20th Century* (Oxford, 1999).

<sup>13</sup> 'The problem is quite simply how to integrate the ancient emirates of the North into the rest of the country to form a unitary state. It is a simple matter of fact that nowhere in the world has it been possible to combine satisfactorily under a single central government, except in the cases of imperial domination, Mohammedan and non Mohammedan states. It would be otiose to draw up the list. An integral Mohammedan society forms a closed society; and as such cannot be asked to accept a central government over which it has no guaranteed control. Its cultural affinity is with the rest of the Islamic world and those who do not belong to this world form a foreign element that can never be truly accepted into the society. These incontrovertible sociological factors must be respected and any attempt to ignore them can only lead to failure. The founders of the federation did not respect these factors and the story of Nigeria between Independence and the first military coup is

Southern Nigeria together, it did not appear to make practical sense. This was so because despite their proximity, their peoples, religion and culture were different.<sup>14</sup> One of the main reasons for the amalgamation of Northern and Southern Nigeria in 1914 by the colonial government was in order to enable that government to reduce its subsidy of the Colony of Northern Nigeria by using the surpluses from Southern Nigeria. When, in 1906, Southern Nigeria and Lagos became one administrative entity, the financial resources of the South increased substantially. This, however, was not the case with Northern Nigeria. The region, with its meagre resources mainly from direct taxation, found it difficult to balance its budget. It therefore relied heavily on grants from the colonial government to function. Amalgamation thus became a means to reduce the dependence of Northern Nigeria on British taxpayers.<sup>15</sup>

Because of the vast differences between the regions, the Nigerian state that Lugard constructed was one with strong regional governments and a weak centre. This effectively ensured that the North was protected from Southern influences.<sup>16</sup> In 1946, the British colonial government further divided Southern Nigeria into two regions: East and West. The North, which was not affected, retained its position as the dominant region both in population and landmass. In the construction of the state, the revenue-sharing formula was critical to the creation of strong regions. Not surprisingly, the concept of sharing revenue based largely on the derivation principle reigned supreme. This, however, changed in 1958 when oil was discovered in commercial quantities in the Eastern part of the country. Up till then, royalties from minerals fully belonged to the region of origin. The discovery of oil in Eastern Nigeria coincided with the need to review the existing revenue allocation scheme. This was a fallout of the 1957/8 Constitutional Conference and the imminence of political independence. The colonial government subsequently set up a Commission headed by Sir Jeremy Raisman and Professor Ronald Tress to review the federal fiscal structure.

---

the story of the struggle to control the government of the country by the Northern Premier; the suppression, one by one, of all opposition; and the final breakdown of Government throughout the country'. See 'A memorandum on Nigeria', forwarded to Prime Minister Wilson by the Catholic Archbishop of Westminster, Cardinal Heenan (PRO/FCO 65/458, 6 Dec. 1969). See also *The Economist*, 24 Oct. 1970, vii-xii.

<sup>14</sup> See, for instance, M. Hiskett, 'Lugard and the amalgamation of Nigeria: a documentary record [book review]', *African Affairs*, 70 (1971), 188.

<sup>15</sup> See, for instance, *Report of the Commission on Revenue Allocation* (Lagos, 1951, 'Hicks-Phillipson Report'), 68; O. Osadolor, 'The development of the federal idea and the federal framework', in K. Amuwo, A. Agbaje, R. Suberu and G. Herault (eds.), *Federalism and Political Restructuring in Nigeria* (Ibadan, 1998), 35; R. Nwokedi, *Revenue Allocation and Resource Control in Nigerian Federation* (Enugu, 2001), 20; and Federal Republic of Nigeria, *Report of the Political Bureau* (Lagos, 1987), 169.

<sup>16</sup> As late as 1958, the members of the British Willink Commission, appointed to inquire into the fears of the minority tribes, remarked that 'the northern Region has remained behind the protective wall of the Colonial government as an Islamic society, singularly unaffected by change in the rest of the World; Islamic law of the Maliki school is administered, purdah is observed by women, and western innovations are in some quarters regarded with disfavour'. Quoted in A. Waugh and S. Cronje, *Biafra: Britain's Shame* (London, 1969), 19.

Perhaps the most significant proposal of the Commission was the recommendation that the then current practice of returning mining rents and royalties to the regions should be discontinued. Such revenues were now to be shared throughout the Distributable Pools Account (DPA), with the region of origin getting 50 per cent, the Federal government 20 per cent, and the other regions 30 per cent. Although oil was a new discovery in the colony, and the revenue from it at the time (1958/9) was estimated to be only £65,000, it had great prospects.<sup>17</sup> Based on this, the Raisman Report significantly reduced the use of derivation as a principle for sharing the DPA.<sup>18</sup> The discovery of oil in the Eastern Region was therefore a turning point in the history of Nigeria and marked the beginning of the dilution of the powers of the regions to the benefit of the national government. All this did was to increase the struggle for control of national revenue rather than encourage the regions to take advantage of their social and economic circumstances and design appropriate revenue generation schemes.

In the struggle over the national wealth, control depended on who dominated the government at the centre. With Southern Nigeria virtually split into two, the North, which was now by far the largest region, had the upper hand. British Colonial Officers also encouraged it to promote the philosophy of one North in order to maintain its political control.<sup>19</sup> Despite its size, the North initially did not have an absolute majority in the Federal parliament in the 1959 elections, and had to go into alliance with the National Convention of Nigerian Citizens (NCNC), which was the dominant party in the Eastern Region. The Action Group, which dominated the Western Region, soon went into opposition. In an attempt to weaken the opposition the ruling coalition sponsored a crisis within the Western Region parliament culminating in the declaration of a State of Emergency in the Region in 1962. In 1963, the Western Region was further split into two. This effectively

<sup>17</sup> 'The allocation of the proceeds of mining royalties has presented us with a most perplexing problem. Although the revenues from columbite royalties rose rapidly at the time of the American stockpiling in 1953-55, royalties on tin, columbite and coal, normally yield a fairly constant annual sum. If these were the only minerals concerned, there might be no difficulty in our recommending the continuation of the present system ... The problem is oil. Test production of oil has already started in the Eastern Region and exploration is being undertaken in both the North and the West. While the yield from oil royalties is at present comparatively small, ... we cannot ignore the possibility that the figure may rise very markedly within the next few years ... There is therefore a double obstacle in our recommending the simple continuation of the existing method of allocating mineral royalties. First, it would involve us, in our revenue assessment for the next few years, in crediting the Eastern Region with a source of income which is at once too uncertain to build upon, and too sizeable to ignore. Secondly, it would rob our recommendations of any confident claim to stability for the future since oil development might take place in any one of the Regions on a scale, which would quite upset the balance of national development, which it is part of our task to promote ... Our considered conclusion therefore is that the time for change is now, while there is still uncertainty as to which of the Regions may be the lucky beneficiary or which may benefit the most'. See Colonial Office, Nigeria, *Report of the Fiscal Commission* (London, 1958 ['Raisman Report']), 24. See also M. Robinson, 'Nigerian oil: prospects and perspectives', *Nigerian Journal of Economic and Social Studies*, 6 (1964), 219.

<sup>18</sup> 'Raisman Report', 31-2.

<sup>19</sup> Waugh and Cronje, *Biafra*, 29-30. See also B. Smith, *But Always as Friends: Northern Nigeria and the Cameroons, 1931-1957* (London, 1969), 237-9.

separated the core Yoruba group from the minorities.<sup>20</sup> Interestingly, the new Mid-Western Region, dominated by minorities also had prospects for oil exploration. By 1964, the NCNC/NPC (Northern People's Congress) alliance had effectively ended. This was in part because of the disputed Census, which gave the North an effective majority over the South. The election of 1964/5, which was marred by violence and voting irregularities, further added to the political tension in the country.<sup>21</sup>

The ensuing crises came to a head on 15 January 1966 when a group of young Army majors led by Major Nzeogwu, with no known foreign influence, staged a military coup in their bid to wrest power from the politicians who were generally perceived as corrupt.<sup>22</sup> Although the coup succeeded in the North, it failed in Lagos where General Ironsi, the then Chief of Army Staff and one of the targets of the coup, remained in effective control of the military high command. Although the British government had no foreknowledge of the coup, British elements and officers in the country quickly reorganized and extensively facilitated the takeover of the reins of government by the military high command to the detriment of the coup plotters. A secret report of the Commonwealth Relations Office entitled 'Nigeria: retrospect of the Nigerian Revolution', asserted that it was unlikely General Ironsi would have had the initiative and skill to take the actions needed to reassert the central government's authority with sufficient speed and resolution if Mr. Marsden, the Acting Deputy Inspector General of Police, had not taken control behind the scenes and directed Ironsi's actions at each point. In Kaduna, the Attorney General, Sir Ian Lewis, also helped to bring the civilian authorities and the police into a working relationship with the coup plotters.<sup>23</sup> Interestingly, the British establishment did not like Ironsi as a person. He was considered to be cunning, 'strongly anti British', and 'fantastically conceited'.<sup>24</sup> Following this perception, the British authorities tried unsuccessfully to prevent his appointment as the first Nigerian General Officer Commanding the Nigerian Army.<sup>25</sup> Later, British government officials changed their attitude and greatly assisted him to take over the reins of power. This was perhaps because the British government reasoned that an established military hierarchy rather than unknown coup plotters, would better protect its interests in Nigeria.

Another characteristic of the coup was that most of the operatives were Ibos while most of the casualties were Northerners.<sup>26</sup> Despite this, the coup

<sup>20</sup> Waugh and Cronje, *Biafra*, 31.

<sup>21</sup> See, for instance, E. Aligwekwe, 'Biafra: reflections on the nation state in Sub Saharan Africa', *Insight and Opinion*, 3 (1968), 41-5; and S. K. Panter-Brick, 'Biafra', *Institute of Commonwealth Studies Collected Seminar Papers*, 19 (1976), 31-3 ('Collected Papers on the Politics of Separatism').

<sup>22</sup> See confidential Commonwealth Relations Office document, 'Nigeria: the new regime', 10 Feb. 1966, 8 (PRO/DO/221/85). <sup>23</sup> 11 Mar. 1966, 2 (PRO/DO/186/28).

<sup>24</sup> See July 1965 Intelligence Report on the Nigerian Armed Forces (PRO/DO/195/426). See also Chadwide to Garner, 28 Feb. 1965 (PRO/DO/195/426).

<sup>25</sup> See July 1965 Intelligence Report on the Nigerian Armed Forces (PRO/DO/195/426).

<sup>26</sup> This may have been influenced by the drastic change in recruitment patterns in the Nigerian Army shortly after independence. Along these lines, it has been asserted that: 'efforts to balance regional representation were made through the introduction of a



was very popular. In a letter to the Commonwealth Relations Office in London, the then British High Commissioner in Nigeria asserted that:

The mood up and down the country is one of reformist exaltation, and the universal rejoicing at the disappearance of the politicians who have hung like a millstone round the neck of the country for 15 years, has almost eclipsed the distress of the loss of Abubakar ... The Abubakars and elder Senanayakes are, I suppose, freaks in the colonial independence era, and we must thank our stars for having had them as long as we did, rather than assessing what we have lost in the future.<sup>27</sup>

According to a confidential Commonwealth Relations Office Document entitled 'Nigeria: the new regime' and dated 10 February 1966, the widespread Northern support for the purge was due to the fact that the politicians were generally known to be corrupt. The Sardauna-led Northern Region government was particularly 'identified with the preservation of out of date feudal institutions and social backwardness'.<sup>28</sup> This essentially represented a public resentment of British colonial policies in Northern Nigeria.

Given the nature of the above change, the British government immediately realized that it was unlikely to retain its high level of influence in the affairs of Nigeria under the new leadership. In a letter to the Secretary of State for Commonwealth Relations, the then British High Commissioner in Nigeria asserted that:

The tone of Nigeria's foreign policy was set by Abubakar's sane, moderate and essentially practical approach ... [H]e was able to resist the normal political pressures to make rude gestures to the West because his NPC Party was traditionalist and opposed to change. [Under the] ... new Government, [t]here will be a desire to give Nigerian policies a new look. The Government will be sensitive to criticism from other African countries and disinclined to expose surface [*sic*] to the charge that their policies are out of harmony with majority OAU [Organization of African Unity] views. I expect therefore that Nigeria's voice will take a more strident note, and her policies will be presented as nearer to fashionable African positions ... We can expect increasing criticism of the number of British Officers serving in influential positions and the climate may induce acceleration of retirements, with a decline in British influence. But in the early stages of the new regime, most changes are likely to be in emphasis rather than direction ... In the longer

---

quota system in 1961 requiring 50 pct. from the North and 25 pct from each of the two southern regions. As a result, cleavages in peer groups, ranks and educational backgrounds reinforced ethnic and regional differentiations'. P. Baker, 'Why Nigeria collapsed', *Africa Today*, 20 (1973), 82-3. British colonial officers advised the North on the need for such regional representation in the Army as a constitutional safeguard. See Smith, *But Always as Friends*, 365.

<sup>27</sup> Francis Cumming-Bruce to Sir Saville Garner, 4 Feb. 1966 (PRO/DO/221/85). Abubakar was the first Prime Minister of independent Nigeria while Senanayake was the first Prime Minister of independent Sri Lanka. See also A. Kirk-Greene, 'The peoples of Nigeria: the cultural background to the crisis', *African Affairs*, 66 (1967), 4.

<sup>28</sup> PRO/DO/221/85, 6. In another memorandum, a British Foreign Office official, John Balfour asserted that: 'A sharp blow has been dealt to the power of the feudal north which under the domination of the Sardauna, was acting as a brake on social progress in that region and on inter-tribal reconciliation in the country as a whole' See 'The Nigerian situation', 22 Feb. 1966 (PRO/FO 371/187870).

term Nigeria will, I think, as time goes on become less co-operative in its foreign policies and less sensible in its attitude towards expatriate economic interests.<sup>29</sup>

It did not take long for Ironsi to move against long entrenched interests and traditions. On 24 May 1966, Ironsi promulgated the 'Unification Decree' which abolished the Federal Regions and unified the civil service. This was a radical change of direction from the federal system of government which was originally devised by Britain to protect the large but backward North after independence. It was unacceptable to the North, which saw it as a ploy to assert Ibo dominance over the region.<sup>30</sup> Subsequently, widespread rioting simultaneously broke out in the entire North resulting in the death of hundreds of Ibos.<sup>31</sup>

On 29 July 1966, General Ironsi was overthrown and killed in a revenge coup by Northern Officers. General Yakubu Gowon, who was Ironsi's Chief of Army Staff became the new Military Head of State. Although a Christian, he was from the Northern Region. Unlike Ironsi, he was 'pro-British and pro-West'.<sup>32</sup> The initial intention of the coup plotters was the secession of the North from the Nigerian Federation.<sup>33</sup> A day before Gowon's address to the Nation, however, the British High Commissioner and the American Ambassador 'took some joint action ... to make sure that Colonel Gowon was fully aware of the damaging effects of secession on the economy of the North'.<sup>34</sup>

<sup>29</sup> 10 Feb. 1966, 7 (PRO/DO/221/85). '[T]here are over 1,000 British officers performing in Nigerian Government service key jobs for which qualified Nigerian are not available. Another 500 work in the universities and schools. Also the essential public utilities such as electricity, railways, and telephones, depend very much on senior British staff'. See British High Commissioner in Nigeria to the Secretary of State for Commonwealth Relations, 17 Feb. 1966, 2-3 (PRO/DO/186/28).

<sup>30</sup> S. Panter-Brick, 'From military coup to civil war: January 1966 to May 1967', in S. Panter-Brick (ed.), *Nigerian Politics and Military Rule: Prelude to the Civil War* (London, 1970), 24; J. O'Connell, 'The Ibo massacres and secession', *Venture*, 21 (1969), 23; V. Fanso, 'Leadership and national crisis in Nigeria: Gowon and the Nigerian civil war', *Présence Africaine*, 109 (1979), 35; R. Baker, 'The emergence of Biafra: balkanization or nation-building?' *Orbis*, 12 (1968), 523; and L. Ekpebu, 'Nigeria: background to the crisis', *Institute of African Studies, University of Ghana Research Review*, 5 (1969), 35. British officers like Sir Bryan Sharwood Smith, the then Governor of the Northern Region helped to foster this Northern position. See Waugh and Cronje, *Biafra*, 29-30.

<sup>31</sup> According to the *Guardian* [London] Newspaper of 12 June 1966: 'Inflammatory pamphlets, professionally printed, suddenly appeared all over the North. However popular the Northern protests, it looked as if someone was organizing and paying the bills'. Quoted by A. Akinyemi, *The British and the Nigerian Civil War: The Godfather Complex* (Ibadan, 1979), 14.

<sup>32</sup> The British High Commissioner in Nigeria at the time wrote: 'Gowon has the same kind of pragmatic approach as Abubakar. He has no patience with extremist African demands and would like to help us'. Letter to the Secretary of State for Commonwealth Affairs, 7 Sept. 1966 (PRO/ PREM/13/1040).

<sup>33</sup> See, for instance, Waugh and Cronje, *Biafra*, 35-6 and S. Vincent, 'Should Biafra survive?' *Transition*, 32 (1967), 54.

<sup>34</sup> See undated Colonial Office Memorandum by Mr. Larmour (PRO/FCO/65/452). This was not surprising, especially given the evident preference of the British for Northerners. Lyttelton, Governor General of Nigeria in the 1950s, once asserted that: 'we cannot let the North down. They are more than half the population, more attached to

Based on the above involvements, it is not surprising that Britain was publicly accused by Jean-Claude Fortuit, a 'young Gaullist deputy', of 'having inspired the July 1966 Coup' in Nigeria and having 'been deeply implicated in the assassination of Gen. Ironsi'.<sup>35</sup> Foreign interests were also accused of having encouraged the massacre of the Easterners in the North.<sup>36</sup> Although the British government may have backed the North in its rejection of the Unification Decree, there is no evidence that it encouraged the massacre. Archival evidence points to the contrary. The British High Commissioner at the time made spirited efforts to get Gowon to do more to stop the killing of Ibos.<sup>37</sup> Gowon, however, refused 'to face up to the stark facts of the scale of brutalities in the North, and the extent of the Army's positive responsibilities for them'.<sup>38</sup>

The British government also opposed the idea of excising the oil-producing areas of Calabar, Ogoja and Rivers (COR) from the predominantly Ibo areas in order to weaken the position of Ojukwu, the then Military Governor of the Eastern Region. The British government was of the opinion that such un-negotiated changes could only force the East to secede and result in a civil war.<sup>39</sup> It therefore made it clear to the Nigerian side that 'any injury to the British community or any damage to British interests (notably the oil installations in the Eastern Region) resulting from arbitrary

---

the British and more trustful of the Colonial Service than the others too'. Quoted in Lynn, *Nigeria*, lxix.

<sup>35</sup> *Sunday Telegraph*, 9 Feb. 1969. Unfortunately, archival evidence that may have helped unravel the extent of possible British complicity in the murder of Ironsi has since been destroyed. Specifically, two important Foreign and Commonwealth Office reports, 'The Nigerian revolution: the first hundred days' and 'Nigeria: the military government's record', were removed and destroyed by J. R. Green of the Prime Minister's Office on 8 Mar. 1996. This was shortly before the documents were to be made public. These reports, dated 6 and 7 June 1966, respectively, were produced shortly after the promulgation of the 'Unification Decree' and before the overthrow of General Ironsi (PRO/PREM/13/1040).

<sup>36</sup> Sir Francis Cumming-Bruce to Sir Morrice James, 1 Oct. 1966 (PRO/PREM/13/1041, No. 121058). See also A. Akinyemi, 'The British press and the Nigerian civil war', *African Affairs*, 71 (1972), 415.

<sup>37</sup> 'The Northern murderers are certainly making it as difficult as possible for the East to refrain from secession. The disastrous consequences for the Northern economy are brushed aside by even sophisticated Northerners as secondary to the need to make it quite impossible for the Ibos ever again to aspire to play any decisive part in the North on the lines that almost all Northerners believe that the Ironsi regime intended to establish an Ibo stranglehold. This is not a rational reaction and cannot be countered by logical argument: it derives from hatred, fear and a sense of inferiority in the modern competitive race'. Francis Cumming Bruce to Sir Morrice James, 1 Oct. 1966 (PRO/PREM/13/1041). See also C. Mgonja, 'Statement on Tanzania's recognition of Biafra', *Kroniek van Africa*, 1 (1968).

<sup>38</sup> Memorandum from British High Commissioner to Sir Morris James of the Commonwealth Office, 1 Oct. 1966, 10 (PRO/PREM/13/1041).

<sup>39</sup> In a memorandum dated 1 Oct. 1966, to Commonwealth Office in London, the then British High Commissioner explicitly asserted that he 'was entirely satisfied that there was no question of Ojukwu declaring U.D.I. unless this seemed to be the only means of avoiding Northern action to split the East and deprive the Ibos of the lion's share in the oil revenues' (PRO/PREM/13/1041). See also Cumming Bruce to Commonwealth Office, 6 Sept. 1966 (PRO/PREM/13/1040).

methods of handling any proposed constitutional change would severely strain ... [the] relationship with Nigeria'.<sup>40</sup>

On the issue of recognition for the Eastern Region in the event of their secession, the British government officials suggested that the country's 'investments in oil in Eastern Nigeria ... could prove a decisive factor in the British government thinking'.<sup>41</sup> This was so despite the fact that the British government was convinced that Ojukwu was unlikely to secede unless forced into such a move by Federal attempts to weaken his political and revenue base.

Subsequently, at the request of the Nigerian government, the British government asked its High Commissioner in Nigeria to serve in a consultative capacity to the Nigerian government during its discussions on the future political organization of the country, particularly in respect of relations between the centre and the regions and on the delineation of the regions. In a secret memo dated 30 September 1966, the Commonwealth Office gave the following instructions to the British High Commissioner:

In your discussions with the Nigerians, you should be guided by the following considerations of British Interest in the outcome of the current discussions: (a) Nigeria is potentially one of the most powerful African states, both economically and politically. The General Approach of successive Nigerian Governments to African and World affairs has been on the side of moderation and their influence has been exerted in ways generally favourable to us and the West as whole. It is probable that a fission of Nigeria into smaller states will lay several of them open to undesirable outside influence both because of the precarious viability of some of them and because of attractions from elsewhere in Africa. A particular danger in this respect is the traditional links of the North with Cairo. We regard it as an important British interest therefore that the unity of Nigeria should be maintained in as close a form as is politically possible. (b) There are extensive British commercial interests in Nigeria, and a total British expatriate population of approximately 17,000. A comparatively recent development of importance is the oil installation in the Delta area of the Eastern Region which is being developed by British capital and management and which last year was responsible for exports from Nigeria worth £78 million. Separation of Nigeria into states of doubtful economic viability would jeopardize the substantial commercial and investment interests we have in the country.<sup>42</sup>

With the passage of time, as will be seen in the subsequent section, it became clear to the British government that the fact that the majority of Nigeria's oil was based in Eastern Nigeria had the potential to threaten the main and growing British economic interest in the country: oil. At that stage, Britain was willing to jettison its long-held view of 'One Nigeria' and to romance

<sup>40</sup> Briefing notes for the Prime Minister for his meeting with the Nigerian High Commissioner, Brigadier Ogundipe and Mr. V. A. Adegoroye, 27 Sept. 1966 (PRO/PREM/13/1040).

<sup>41</sup> Footnote to the briefing notes for the Prime Minister for his meeting with the Nigerian High Commissioner, Brigadier Ogundipe and Mr. V. A. Adegoroye, 28 Sept. 1966 (PRO/PREM/13/1040). See also J. Nyerere, *The Nigeria-Biafra Crisis* (Dar es Salaam, 1969), 4.

<sup>42</sup> PRO/PREM/13/1040.

with the North if such a move could help guarantee the protection of its oil interests in Nigeria.<sup>43</sup>

#### OIL AND THE ESCALATION OF THE NIGERIAN CRISIS

Exploration for oil in Nigeria was pioneered by Shell-BP Petroleum Development Company, which began explorations in the country in 1937. The company, which was jointly owned by Shell and British Petroleum, concentrated its efforts in the Niger Delta area where, in 1956, it struck oil in commercial quantities. By 1967, Gulf Oil Nigeria (US) and SAFRAP (French) had joined Shell-BP as producers of oil in Nigeria.<sup>44</sup> Two other companies AGIP (Italian) and AMSEAS (US), were on the verge of producing petroleum while three other American companies had discovered oil in Nigeria.<sup>45</sup> Prior to the civil war in 1967, total production of crude oil in Nigeria averaged 580,000 barrels a day, of which Shell-BP produced 84 per cent. Gulf Oil Nigeria produced 9 per cent while SAFRAP produced 7 per cent. Aside from the fact that a British company was the major producer of oil in Nigeria, Britain was also the major recipient of Nigerian oil. About 40 per cent of the total oil production in Nigeria ended up in Britain at the time.<sup>46</sup> The position of Shell-BP in the Nigerian conflict was complicated by the fact that its oil production was split between the Eastern Region and the Mid-Western Region. About two thirds of its operation was in Eastern Nigeria and the remainder in the Mid West.<sup>47</sup>

In early 1967, because of the worsening political impasse, the Federal government requested that Shell-BP include, in a supplementary agreement, a clause that it would not, under any circumstances, make royalty payments to the Eastern Region.<sup>48</sup> Shell-BP immediately sought legal counsel on the subject matter. It was advised that royalty should be paid to the Biafran government if it could be shown that the Eastern Region government were in *de facto* control of the law and order in the region at the time of payment.<sup>49</sup> Although the British government was in agreement with the legal advice, it was reluctant to implement it. The British government therefore advised that Shell-BP should continue to make payment to the Federal government for as long as possible, until it became unwise to do so in the context of their business interests.<sup>50</sup>

<sup>43</sup> 'In the new circumstances, it must clearly be the principal object of British policy to avoid doing anything which could seriously antagonize the State of Biafra in case it is successful in vindicating its independence. Our interests, particularly in oil, are so great that they must override any lingering regret we may feel for the disintegration of British made Nigeria'. British High Commissioner in Nigeria to Secretary of State for Commonwealth Affairs, 7 July 1967 (PRO/FO/25/232, fo. 32).

<sup>44</sup> See Estrange to Davies, 2 Aug. 1968 (PRO/FCO/38/321, fo. 54).

<sup>45</sup> British High Commissioner to Secretary of State for Commonwealth Affairs, 27 July 1967 (PRO/FCO/38/112).

<sup>46</sup> As will be seen later, the Middle East crisis at the time made Nigerian oil even more important for Britain.

<sup>47</sup> See Estrange to Davies, 2 Aug. 1968 (PRO/FCO 38/321, fo. 54).

<sup>48</sup> *Financial Times*, 15 Mar. 1967. See also Davies to Miles, 23 Mar. 1967 (PRO/FCO/38/108).

<sup>49</sup> Miles to James, 30 Mar. 1967 (PRO/FCO/38/108).

<sup>50</sup> Confidential File Document, 30 Mar. 1967 (PRO/FCO/38/108).

The oil revenue issue, however, came to a head when Gowon, on 27 May 1967, divided the country into twelve states. The Eastern Region was split into three states: South Eastern State, Rivers State and East Central State. This effectively excised the main oil-producing areas from the core Ibo state (East Central State).<sup>51</sup> On 30 May 1967, Ojukwu declared independence and renamed the entire Eastern Region 'the Republic of Biafra'. As part of the effort to get the Biafran leadership to change its mind, the Federal government placed a shipping embargo on the territory. Oil tankers were initially excluded from the embargo. Biafra's new status, however, made it possible for it to demand oil royalties directly from all oil-producing companies in its region, including Shell-BP. Given the importance of oil in encouraging the secession and its potential for sustaining it, it was not surprising that one of the first Decrees published by the Biafran leadership was the Revenue Collection (No. 2) Decree of 1967. On 19 June, the Permanent Secretary in the Ministry of Finance of Biafra, wrote to Shell-BP requesting the royalties. A subsequent letter estimated the royalty expected from Shell-BP for its operations for one half of 1967 at £3,510 million.<sup>52</sup> Initially, Shell-BP was inclined towards making this payment. It believed that Ojukwu could succeed in establishing Biafra.<sup>53</sup> Furthermore, Biafra was at the time in *de facto* control of its territory. The British government, however, advised caution. It reasoned that if Shell-BP paid the royalties to Biafra, then the Nigerian government would have no other option but to extend the sea blockade to include oil tankers. The Nigerian government would also be forced to attack Biafra in order to show that Biafra was not in *de facto* control of its territories.<sup>54</sup>

Based on the above pressure from the British government, Shell-BP changed its position and discussed the possibility of paying the royalties into a suspense account without much success.<sup>55</sup> On 29 June 1967, Ojukwu summoned the General Manager of Shell-BP and made it explicit that the request for payment of the royalty by 1 July 1967 was 'firm and unchangeable'. The Biafran government was, however, prepared to accept a modest 'token payment' for the time being. Shell-BP subsequently informed the British government of its intention to make a token payment of £250,000 to Biafra. The British government decided not to interfere with this decision but insisted that the accompanying letter must make it unambiguous that

<sup>51</sup> At the time, less than 10 per cent of Eastern Region oil was produced in the Ibo-dominated East Central State. See Rivers State, *The Oil Rich Rivers State* (Port Harcourt, 1967), 5.

<sup>52</sup> Permanent Secretary, Ministry of Finance, Enugu to Shell BP, 21 July 1967 (PRO/FCO/38/112).

<sup>53</sup> The fact that the majority of its operation was in the East no doubt influenced Shell-BP in developing sympathy for Biafra from the onset. Many of its senior members of staff were Ibos and the 'infectious atmosphere' must have influenced many of the Europeans. See British High Commissioner to Secretary of State for Commonwealth Affairs, 27 July 1967 (PRO/FCO/38/112). Also, the general expectation was that Biafra would receive the royalty – See, for instance, *The Economist*, 24 June 1967, 1382.

<sup>54</sup> Lagos to Commonwealth Office, Telegram No. 1246, 22 June 1967 (PRO/FCO/38/110). <sup>55</sup> Steel to Hetherington, 30 June 1967 (PRO/FCO/38/111, fo. 87).

the payment was under duress.<sup>56</sup> Shell-BP subsequently advised the Bank of England to transfer the £250,000 to the Biafran government.<sup>57</sup> As requested by the British government, the letter also made it explicit that it did so under duress.<sup>58</sup> The letter from Shell-BP provoked an angry response from Ojukwu who found the tone offensive and the promised sum derisory.<sup>59</sup>

On the other hand, once news of the impending payment of £250,000 reached the Federal government, it immediately extended the shipping embargo to oil tankers. This line of action, although anticipated, was not welcomed by the British government. All along, one of Britain's main interests was to ensure a conducive environment for the flow of Nigeria's oil to its territories. Nigerian oil was particularly important to Britain at the time given the disruptions in the Middle East. Although extra oil was available in the Persian Gulf at the time, this could not be lifted because of the shortage of tankers. This was the consequence of the blockade of the Suez Canal and the need to go round the Cape. The importance of Nigerian oil was perhaps best demonstrated by the fact that while it took only 20 days for a round trip from Britain to Nigeria, a round trip from Britain to the Persian Gulf took 68 days. Based on the above, it was estimated that the denial of Nigerian oil would reduce the oil available in Western Europe by 5 per cent.<sup>60</sup> The British position was further complicated by the fact that the Arab oil ban on UK destinations effectively eliminated potential supplies from two possible short-haul sources in the Southern Mediterranean: Libya and Algeria. The Nigerian blockade was therefore expected to worsen an already precarious oil stock position in Britain.<sup>61</sup> Once the blockade was announced, Mr. Gray, General Manager of Shell-BP, sought an audience with Gowon and explained to him that the decision would effectively lead to stoppage of oil production in the Mid-West and the East by 6 July 1967. This meant that only Gulf Oil Nigeria, which accounted for about 9 per cent of Nigerian oil

<sup>56</sup> Steel to Hetherington, Secret Memorandum on Nigeria, 3 July 1967 (PRO/FCO/38/110, fo. 82).

<sup>57</sup> See Shell BP to His Excellency, the Military Governor of Biafra, 1 July 1967 (PRO/FCO/38/112).

<sup>58</sup> Biafra, however, never received this money. According to a Confidential Telegram (No. 1418, 14 July 1967), from the Commonwealth Office to Lagos: 'Exchange Control permission on Shell/B.P.'s request to pay £250,000 into a Swiss Bank Account or in Swiss Francs is being held up. You may inform Federal Authorities at your discretion ... If Shell asks them formally why a decision is being delayed, the Bank of England propose to say that this is on the technical grounds that payments between Sterling area countries should be over resident account. For your information, we have asked HM Treasury to withhold permission for political reasons. Shell knows about the decision which apparently suits them because they do not wish to set a precedent which might involve them in having to pay foreign currency to other oil producing countries' (PRO/FCO/38/111, fo. 153).

<sup>59</sup> Secret Memorandum from Steel to Hetherington, 3 July 1967 (PRO/FCO/38/110, fo. 82).

<sup>60</sup> See Secret Brief for Minister of State, 'Nigerian tanker blockade: effects on oil supplies', 6 July 1967 (PRO/FCO/38/111).

<sup>61</sup> *The Economist*, 8 July 1967, 136. At the time, a bill, empowering the British government to introduce oil rationing had been introduced in parliament. See Telegram No. 1300 from the Commonwealth Office to Lagos, 5 July 1967 (PRO/FCO/38/111).

production, would be left in production. This was possible because its operations in Nigeria were offshore. Despite this, Gowon refused to budge.<sup>62</sup>

Because of the urgency of the matter, Britain immediately sent its Secretary of State for Commonwealth Affairs, Mr. George Thomas, to Lagos to meet General Gowon. At the meeting, held on 8 July 1967, the Secretary of State made a forceful case for the lifting of the oil blockade. He argued that the shipping blockade was illegal under international law and the oil companies could not be blamed if they decided to pay royalties to Biafra. This was especially so given the fact that, in international law, such royalties could rightly be paid to the government in effective control of disputed territory. He further argued that the blockade was irrelevant to the weakening of the Biafran rebellion and could damage the Federal government's future financial gains. The Secretary of State also made explicit the possibility that the relationship between the oil blockade and the rationing of supplies in the UK could lose Nigeria goodwill in Britain.<sup>63</sup>

Gowon, however, refused to compromise on the demands to lift the oil blockade. Instead he promised to review his decision on the blockade at short intervals and to look into the legal issues with respect to the payment of royalties. Given the failure of the 8 July meeting, the British government not surprisingly refused to commit itself with respect to the earlier request of Nigeria for military assistance. Although the government had earlier agreed internally to offer limited arms and military support to the Federal government, this was subject to Gowon's cooperation on the issue of the oil blockade.<sup>64</sup>

Gowon's promise on the royalty issue culminated in the setting up of an intergovernmental review committee. The result was an instant deadlock, as neither side could agree on the position of international law. This was perhaps not surprising, especially given the fact that even the British knew that their position was not unassailable. Internally, they conceded that they had 'no locus standi to complain on behalf of the company', which was Nigerian-registered, and that the blockade was 'simply a measure legitimately taken to suppress the rebellion and restore law and order'.<sup>65</sup> The Nigerian government subsequently made it explicit to Shell-BP that it expected the company to pay the outstanding oil royalty immediately.<sup>66</sup> Once the oil flow stopped, sitting on the fence ceased to be an option for the British

<sup>62</sup> See Telegram No. 1687 from Lagos to Commonwealth Office, 5 July 1967 (PRO/FCO/68/111).

<sup>63</sup> See Undated Confidential Memorandum, 'Negotiations with Nigerians' (PRO/FCO/38/111) and Confidential Telegram No. 1397 to Commonwealth Office, 6 July 1967 (PRO/FCO/38/111). See also Confidential Telegram No. 1418 addressed to the Commonwealth Office London, 8 July 1967 (PRO/FCO/38/111). It is clear that the 1967 Middle East oil crisis was the main reason why Britain was desperate to get the Nigerian government to lift the oil blockade. Britain was careful not to admit this publicly because this could harden the determination of the Arabs and hand Gowon a blackmail tool.

<sup>64</sup> See Forster to Pallise, 'Nigeria', 7 July 1967 (PRO/FCO/38/111, fo. 136).

<sup>65</sup> Steel to Hetherington, Secret Memorandum on Nigeria, 13 July 1967 (PRO/FCO/38/112, fo. 159). See also Confidential Telegram to Commonwealth Office, 10 July 1967 (PRO/FCO/38/111).

<sup>66</sup> Lagos to Commonwealth Office, Confidential Telegram No. 1434, 10 July 1967 (PRO/FCO/38/111, fo. 130).



government. Britain subsequently decided to back Nigeria, partly because it was advised that, in the event of war, the odds were 'slightly in favour of the Federal Military Government'.<sup>67</sup> Perhaps more importantly, the British government calculated that supporting Nigeria was its safest option if it were to preserve its oil interests in the country, largely because the Cold War and the rivalry among some Western European states made it likely that other foreign powers would wade into the conflict.<sup>68</sup> Although the British government may have believed that Biafra had strong grounds for secession, it was not in a position to guarantee its success even if it supported the rebels. This was further complicated by the position of the OAU and of most British academics, which strongly favoured adherence to the existing colonial boundaries.<sup>69</sup> Concomitantly, Shell-BP was advised to retrace its steps and attempt reconciliation with Lagos. The British High Commissioner explained the reasoning:

How are Shell-BP to resolve the consequent permutations? If the side they have offended loses all is well. If it wins, they are, I think, a little worse off if the side they have offended is the Federal government. Ojukwu, even victorious, will not be in a strong position. He will require all the international help and recognition he can get. The Federal Government would be much better placed both internationally and internally. They would have a cast iron case for the severest treatment of a company which had subsidized a rebel, and I feel fairly convinced they would press their case to the lengths of cancelling the Company's concessions and nationalizing their installations. I conclude, therefore, if the Company does change its mind and asks the British Government for advice, the best that could be given is for it to clamber hastily back on the Lagos side of the fence with cheque book at the ready.<sup>70</sup>

With the stalling of the token payment of £250,000, it soon became clear to the Biafran government that Shell-BP and the British government had no intention of paying into its coffers the disputed oil royalty. Without any positive response from the company, the Biafran government subsequently asked Shell-BP to cease operations in Biafra and took over, for 'protection', the company's installations and other properties in its territory.<sup>71</sup>

<sup>67</sup> Steel to Hetherington, Secret Memorandum on Nigeria, 30 June 1967 (PRO/FCO/38/111, fo. 87).

<sup>68</sup> For an indepth analysis of the origins of colonial power rivalry and cooperation in Africa, see J. Kent, *The Internationalization of Colonialism: Britain, France and Black Africa, 1939-1965* (Oxford, 1992).

<sup>69</sup> See, for instance, C. Wrigley, 'Historicism in Africa: slavery and state formation', *African Affairs*, 70 (1971), 122; U. Umzurike, 'The domestic jurisdiction clause in the OAU Charter', *African Affairs*, 78 (1979), 201; J. Mayall, 'Oil and Nigeria foreign policy', *African Affairs*, 75 (1976), 317; J. Herbst, 'The creation and maintenance of national boundaries in Africa', *International Organization*, 43 (1989), 676; and J. Stremmlau, *The International Politics of the Nigerian Civil War* (Princeton, 1977), 12.

<sup>70</sup> British High Commissioner Lagos to Secretary of State for Commonwealth Affairs, 27 July 1967 (PRO/FCO/38/112).

<sup>71</sup> See Chief Secretary to the Military Governor of Biafra to Shell BP, 29 July 1967 (PRO/FCO/38/113). According to the *Financial Times* (11 Aug. 1967): 'The statement did not spell out what the takeover meant but the phrase "for purposes of protection" suggests that it may be premature to assume that Shell BPs £200m has been nationalized or will not be returned when the civil war ends' (PRO/FCO/38/112, fo. 214).

Despite the above announcement, Shell-BP refused to alter its position. Officially, they argued that, given the unusual circumstances of the time, the company had no alternative but to adhere strictly to the legal terms of their contract, which could be interpreted to mean that royalty payment for 1967 was not strictly due until February 1968. Privately, however, they assured Gowon that the royalty would be paid to the Nigerian government and that the argument was necessary to protect the interest of Shell-BP legally.<sup>72</sup> At this stage the position of the British government and Shell-BP on the Nigerian conflict had been unified. For the British oil interests to be served, there was a need to bring the conflict to a swift end. There were, however, other interests that had the potential to extend the conflict. The war indeed soon became a focus for rivalries among some European powers.<sup>73</sup>

#### FOREIGN INTERESTS AND THE NIGERIAN CIVIL WAR

As mentioned, Shell-BP was not the only company producing oil in Nigeria before the civil war. Gulf Oil Nigeria was also active in the oil market, producing roughly 9 per cent of Nigerian oil at the time. The American company operations were, however, offshore from the Mid-Western Region, which was part of Nigerian territory. Given the fact that America had no colonial knowledge of the region, there was no basis for upsetting its economic interests there. The company therefore promptly paid their royalties and rents to the Federal government. The consequence was that the American government did not give serious thought to the Biafran secession. It simply considered it as the internal affair of Nigeria and a British responsibility.<sup>74</sup> Another European power interested in the Nigerian conflict was the Soviet Union which had no investments in Nigerian oil. It simply saw the conflict as an avenue for increasing its influence in Africa, especially in the context of the Cold War.<sup>75</sup> Increased Soviet influence in Nigeria no doubt threatened British economic interests in the

<sup>72</sup> Cable from Shell BP Lagos to SIPC London, 1 Aug. 1968 (PRO/FCO/38/112).

<sup>73</sup> According to an undated confidential Foreign and Colonial Office memorandum, 'Nigeria: a background note on British interests and the government's approach to the civil war': 'We have no ambitions other than the preservation of our traditional interests in Nigeria ... But the Russians are using the increasing Nigerian dependence on them for arms supplies to effect a growing penetration of Nigeria. A Russian foothold in this, in many respects the most important of West African states, would be contrary to the interests of ourselves and our friends. This consideration has not so far weighed greatly with the French, who despite their denials are believed to be assisting the supply of arms to Biafra. Their objective appears to be the breakup of Nigeria, which threatens by its size and potential to over shadow France's client francophone states in West Africa' (PRO/FCO/65/179).

<sup>74</sup> N. Brown, 'Arms supply', *Venture*, 21 (1969), 8; and J. Elaigwu, 'The Nigerian civil war and the Angolan civil war', *Journal of Asian and African Studies*, 12 (1977), 218.

<sup>75</sup> For a detailed analysis of the reasons behind Soviet support for Nigeria, see G. Obiozor, 'Soviet involvement in the Nigerian civil conflict', in U. Damachi and H. Seibel (eds.), *Social Change and Economic Development in Nigeria* (New York, 1973); and O. Ogunbadejo, 'Nigerian-Soviet relations', *African Affairs*, 87 (1988), 83-104.

country. It was, for instance, argued that, if the British withdrew support from Nigeria:

The Federal Government would have no alternative but to turn to the Soviet Union for ever-widening support. The Russians would use their new influence to the full ... Finally, there is the risk that Russian advice and propaganda might encourage the Nigerians to take over the oil industry, the Russians being well placed to provide the technical expertise, which the Nigerians lack.<sup>76</sup>

Unlike the Soviet Union, the French government had both political and economic interest in the Nigerian civil conflict. Under colonial rule, the West African sub-region was partitioned mainly between Britain and France. During colonial rule, France broke up the old Afrique Occidentale Française (AOF). This was because it believed that local nationalisms would not allow a federal structure to survive for long in independent Africa.<sup>77</sup> Given the relatively small size of Francophone West African countries, the existence of a large Nigerian Federation in the region became a definite threat to the influence of France. It was in this context that General de Gaulle saw the Biafran secession as an opportunity to reduce the potential threat of Nigeria to French hegemony in the area.<sup>78</sup> The break-up of Nigeria was therefore in France's interest.<sup>79</sup> Despite de Gaulle's conviction, division among Francophone African leaders over this subject made it difficult for him to embark on full-scale support for the Biafran cause.<sup>80</sup>

Apart from these political considerations, the French also had economic concerns. France's major interest was in Eastern Region oil. This was, at the time, being developed through Société Anonyme Française de Recherches et d'Exploitation Pétrolières (SAFRAP) Nigeria Limited. At the time the war broke out, the company controlled only 7 per cent of oil production in Nigeria.<sup>81</sup> SAFRAP was formed in 1962 and was a subsidiary of the French state-owned oil company Entreprise de Recherches et d'Activités Pétrolières (ERAP). Its President, M. Pierre Guillaumat, was General de Gaulle's Minister of Armed Forces from 1958 to 1960. The company, based mainly in the Eastern Region, had six exploration permits covering 24,178 square metres. It found oil on dry land, which is much cheaper to exploit, north of

<sup>76</sup> 'Strictly Confidential' memorandum, 'Shell-BP in Nigeria', 9 Dec. 1968 (PRO/POWE/63/406, fo. 75/1).

<sup>77</sup> 'Nigeria: France's Biafra bombshell', *Africa Confidential*, 16 (9 Aug. 1968), 2.

<sup>78</sup> *Sunday Telegraph*, 9 Feb. 1969. See also Z. Cervenka, *The Nigerian War, 1967-1970* (Frankfurt, 1971), 115.

<sup>79</sup> C. Uche, 'The politics of monetary sector cooperation among the Economic Community of West African States members', *World Bank Policy Research Working Paper* 2647 (2001), 13-14; O. Ogunbadejo, 'Nigeria and the Great Powers: the impact of the civil war on Nigerian foreign relations', *African Affairs*, 75 (1976), 21; and M. Perham, 'Reflections on the Nigerian civil war', *International Affairs*, 46 (1970), 241. See also Confidential Memorandum from the British Embassy in Paris to the West African Department, Foreign and Colonial Office, 16 Dec. 1968 (PRO/FCO/65/267).

<sup>80</sup> For detailed analyses of the various Francophone West African countries' positions, see: R. Baker, 'The role of the Ivory Coast in the Nigeria-Biafra war', *African Scholar*, 1 (1970); M. Peepy, 'France's relations with Africa', *African Affairs*, 69 (1970); and D. Bach, 'Le Général de Gaulle et la guerre civile au Nigéria', *Canadian Journal of African Studies*, 14 (1980).

<sup>81</sup> See Estrange to Davies, 2 Aug. 1968 (PRO/FCO/38/321, fo. 54).

Port Harcourt. Also important was the fact that, unlike the other oil companies operating in Nigeria, most of its oil reserves lay inside the newly created East Central State, which was the core Ibo region.<sup>82</sup> It was therefore not surprising that, from the onset of the crisis, SAFRAP supported the Biafran side. Apart from the peculiar characteristics of its oil locations, there was also a chance that, in the event of a successful secession, it could inherit the assets of Shell-BP, which was considered by Biafra as backing the Nigerian cause.<sup>83</sup> Again unsurprisingly, the company agreed to pay the £100,000 demanded by the Biafrans as royalty in June 1967.<sup>84</sup> Despite this, SAFRAP had to close down its operations because of the shipping embargo, which made it difficult for it to ship its oil.

Although France supported the Biafran cause, it consistently denied being a major provider of arms in the conflict. Despite this, there is substantial evidence that French military support helped to sustain Biafra in the early days of the war. An article in the *Paris Match* of 20 November 1968 claimed that it was 'an open secret' that French arms were reaching the Biafrans. Essentially, these arms were flown into Biafra from neighbouring Gabon and Portuguese territories under the cover of darkness.<sup>85</sup>

By December 1968, France's interest in Biafra had started to wane and the French decided to explore possible avenues for bringing about a peaceful settlement to the Nigerian conflict.<sup>86</sup> Reasons for this included the dimming prospects of any spectacular military offensive by Biafra and the increasing effectiveness of starvation as a weapon of war for the Federal side; apprehension over growing Soviet influence in Nigeria; and the persistent inability of France, Biafra and the four African states that recognized Biafra to persuade other states to openly support the new regime. Finally, encouraging a negotiated settlement was France's proactive way of ensuring that its economic interests were protected in post-war Nigeria.<sup>87</sup>

Like France, Britain never disclosed the extent of its support for the Nigerian side. Britain officially claimed that its interest in the war was to ensure a discussed settlement and the preservation of Nigerian unity. It was also convenient for it to argue officially that the Nigerian conflict was a purely

<sup>82</sup> 'Nigeria: France's Biafra bombshell', 2. See also 'French interests in Nigeria', *Africa Confidential*, 25 (22 Dec. 1967), 1-2.

<sup>83</sup> 'The Federal Government believes that SAFRAP, the State-owned French Petroleum Company, is the channel for the subsidies. Clearly if Ojukwu wins, he will cancel the Shell/BP oil concession and turn over this immensely profitable area to the French Company. The odds are against Ojukwu winning even with the help of French mercenaries; but an oil company which is used to spending large sums on speculation in unproductive trial drillings is not likely to blanch at losing £10m or so when there is a chance, however slim, of acquiring properties which cost the present owners £200m'. British High Commission in Nigeria to Secretary of State for Commonwealth Affairs, Memorandum, 29 Feb. 1968, 'Nigeria: progress of the war and prospects for peace' (PRO/FCO/25/232). See also A. Crawley, *De Gaulle: A Biography* (London, 1969), 466-7.

<sup>84</sup> See Lagos to Commonwealth Office, Cable No. 1387, 5 July 1967 (PRO/FCO/38/111).

<sup>85</sup> Quoted in an internal memorandum by A. J. Collins of the Foreign and Colonial Office, 20 Oct. 1969 (PRO/FCO/65/347/1, fo. 53). See also Hunt to Thomson, 19 January 1968 (PRO/FCO/25/232, fo. 54); and B. Crozier, *De Gaulle: The Statesman* (London, 1973), 583.

<sup>86</sup> *Financial Times*, 12 Dec. 1968.

<sup>87</sup> Secret Memorandum, 10 Dec. 1968 (PRO/FCO/65/267 TNM 121058).

African affair. This was because the position of the OAU was that the eventual settlement, whatever its nature, should maintain and respect the unity of Nigeria.<sup>88</sup> This position coincided with the British position, which was based, at least in part, on its economic interests in Nigeria. Officially Britain also did not consider its supply of arms to the Nigerian side as being partisan. Rather it insisted that it was only supplying light arms to the Nigerian side, as had been the case before the conflict. In reality, however, the British government supplied many more arms than it was publicly prepared to admit.<sup>89</sup> Apart from direct arms supplies, it provided military intelligence to the Nigerian government and may have helped it to access sophisticated arms and mercenaries through third parties. According to a confidential Foreign and Colonial Office memo by John Wilson, it was asserted that:

Clearly, the Federal forces need more ... [arms], and quickly, if there is to be any prospect of an early end to the war. General Alexander, with whom we have discussed the problem in confidence, thinks that what they really need is: 4 fighters/bombers and good pilots for them; transport aircraft; recovery vehicles; mine detectors; some more saladins (but not Saracens and ferrets). We have had no specific requests for any of these from the Federal Government but Lord Shepherd and Mr. Foley who are inviting Brigadier Ogundipe to call on 31st October (to explain the future division of responsibilities between them) are asking him to bring Colonel Rotimi (the QMG) with him so that we can discuss their needs. A representative of the MOD will be present ... We are considering urgently in the meantime whether we could supply any of these. After discussions with Lord Shepherd and Mr. Foley, we are investigating (without commitment) the possibility of arranging (unattributably) to provide a few aircraft and pilots (preferably non British) through third countries, and I had a meeting this morning to investigate this.<sup>90</sup>

The reluctance of the British government to declare openly its support for the Nigerian side may have been linked to the bitter divide in British public opinion and press with respect to the war.<sup>91</sup> Shell-BP, however, worked tirelessly behind the scenes in its attempt to influence both the parliamentary debates and British public opinion.<sup>92</sup>

<sup>88</sup> For an analysis of the emergence of this OAU position, see Z. Cervenka, 'The OAU and the Nigerian civil war', in Y. El-Ayouty (ed.), *The Organization of African Unity After Ten Years: Comparative Perspectives* (New York, 1975), 152–73.

<sup>89</sup> See, for instance, *The Economist*, 31 Jan. 1970, 32; *Guardian*, 26 June 1969; and W. Schwarz, 'Foreign powers and the Nigerian war', *Africa Report* (1970), 12–13.

<sup>90</sup> Wilson to Tebbit, 30 Oct. 1968 (PRO/FCO/65/178). Also of equal importance was the fact that the British government helped to discourage other Western European powers with sympathy for Biafra from getting involved in the conflict. See W. Ajibola, 'The British parliament and foreign policy making: a case study of Britain's policy making towards the Nigerian civil war', *Nigerian Journal of Economic and Social Studies*, 16 (1974), 133.

<sup>91</sup> See, for instance, Ajibola, 'The British parliament'; and Akinyemi, 'The British press', for an analysis of such a divide.

<sup>92</sup> 'The oil company representative ... agreed to start some discreet lobbying of M.P.s at once (Shell think they can talk to Mr. Heath). They also agreed that it would be most unwise for us to refer publicly in the House to the importance of oil interests in our calculations or to the risk to the 16,000 British subjects in Nigeria if we went back on our arms policy'. Memorandum from John Wilson to Tebbit: 'Nigeria: views of the oil companies on likely consequences of H.M.G. being compelled to change their policy of support for the Federal Government on supplying arms', 9 Dec. 1968 (PRO/T/317/1175, fo. 145).

As already mentioned, one of the objectives of the British government throughout the Nigerian crisis was to restart Nigerian oil production in order to help stabilize oil supplies to Britain in a very difficult period. Military assistance was an essential part of this plan. The main interest of the British government, just as before the conflict, was to keep the oil pumping. It was particularly concerned about Nigerian oil because the Middle East crisis, and the embargo by some Arab countries on exports of oil to Britain, were still ongoing. The absence of Nigerian oil meant that Britain had no choice but to obtain a high proportion of its oil supplies from the Americas or from the Middle East, round the Cape, at considerable extra cost. This was 'extremely damaging' to the British Balance of Payment position. So important was Nigerian oil to Britain that Ministers asked the Commonwealth Office and the Ministry of Power to explore ways of ensuring the resumption of Nigeria's oil flows.<sup>93</sup>

Within a month of full military conflict, the Nigerian government captured the important Island of Bonny from the Biafrans. The British High Commissioner articulated the importance of this capture at the time:

This not only tightens the grip on the blockade and gives the Federal Government a first footing in the Rivers Province; it places in their hands the most valuable part of Shell-BP installations, for the storage tanks, the pumping station and the tanker terminal are all at Bonny.<sup>94</sup>

At the time of the capture, the Nigerian government claimed that the Island was taken 'without any damage' to Shell-BP's installations there.<sup>95</sup> On 9 October 1967, Mr. Gray of Shell-BP returned to Lagos to 'test the atmosphere'. At the time, there was concern that the initial sympathy of Shell-BP for the Biafran side and the disastrous meeting of Mr. Thomas, the British Minister of State for Commonwealth Affairs, with Gowon, on the oil tanker ban, may have irked the Nigerian side. This view was perhaps fuelled by negative reports in the Nigerian press about both the UK government and Shell-BP. Some went to the extent of suggesting that the government should nationalize Shell-BP. Fortunately for the company, the Nigerian government was so preoccupied with the war that it did not have the time to think out an oil policy less favourable to the interests of Shell-BP and the British government. Furthermore, once the war broke out and the British government decided to back the Nigerian side, the BBC swiftly shifted its reporting on the conflict, in Nigeria's favour. This was noticed and thankfully acknowledged by the Nigerian government.<sup>96</sup> When Gray returned to Lagos, he was well received and his hesitation quickly melted away.<sup>97</sup>

<sup>93</sup> Tebbit to Hunt, 20 Oct. 1967 (PRO/FCO/38/113, fo. 273).

<sup>94</sup> British High Commissioner Lagos to Secretary of State for Commonwealth Affairs, 27 July 1967 (PRO/FCO/38/112).

<sup>95</sup> Cable from Shell BP Lagos to SIPC London, 1 Aug. 1967 (PRO/FCO/38/112).

<sup>96</sup> Lagos to Commonwealth Office, Confidential Telegram No. 1768, 4 Aug. 1967 (PRO/FCO/38/112, fo. 216).

<sup>97</sup> 'He ... found the atmosphere thoroughly cordial. He had seen all his old contacts in mines and power who were most genial. He had also called on Osinderi at the Ministry of Finance, in the absence of Atta, and handed him a cheque for £450,000 representing a preliminary payment of income tax. In fact the Company could have argued that they

Despite the return of Gray, and the interest of Shell-BP and the British government in getting the oil machines pumping again, the state of war and its attendant hazards ensured that this could not happen immediately. It was not until May 1968, when the Federal side captured Port Harcourt, that it was adjudged safe by Shell-BP to send an advance team to both Bonny and Port Harcourt to assess the state of their production facilities. On Bonny, the team reported that things were worse than had been expected. Perhaps based on Nigerian assurances, the team had hoped that the Boso oilfield would be a likely source of quick oil supply. Instead, the Shell-BP team found that its wells were on fire and two pumping stations were severely damaged. On its installations in Port Harcourt, the advance team reported that they were all in bad shape except for the Kidney Island Marine Base which had been used in succession by the Biafran and the Nigerian navies. Even here, the team noted that the main office block was purposely burnt down and the housing estate looted and damaged. Finally, it was noted that there were still some important oilfields in territories controlled by Biafra, particularly in the area north of Port Harcourt and close to the border with the East Central State. Shell-BP concluded that, 'it would be better if the Federals would capture this area quickly'.<sup>98</sup>

Given Shell-BP's interest in Nigeria taking over the major oilfields still in Biafran hands, it was not surprising that they overtly supported the Nigerian military cause.<sup>99</sup> A case in point was in December 1967 when the Nigerian government, frustrated by the slow pace of progress in the war, requested that Shell-BP pay its royalty of £5.5 million in advance, in order to enable it to purchase arms from Britain. Shell-BP promptly complied. It also proposed, in the special circumstances, to pay in advance £1.25 million in income tax, which was not then due.<sup>100</sup> All its transactions with Nigeria were, however, kept secret because of the fear that publicizing them would annoy the Biafran side, which had the capacity to damage Shell-BP installations and assets under both its own and Federal control.<sup>101</sup> One year into the war, for instance, it was noted that:

At present, many of the Eastern Region oilfields and large sections of the pipeline, which also used to carry mid-Western crude, are still in Biafran hands or within the

---

owed nothing because they were owed £5M by the Nigerian government being the first repayment of a loan they made to the Federal government in 1964. They had a letter from Festus, then Minister of Finance, saying that they could deduct their £5M from whatever income tax [it] was owing. However they had now agreed to let the repayment of the £5M stand over for the moment'. Confidential Memorandum from the British High Commission in Lagos, 15 Oct. 1967 (PRO/FCO/38/113, fo. 267).

<sup>98</sup> Estrange to Davies, 2 Aug. 1968 (PRO/FCO/38/321).

<sup>99</sup> B. Dudley, 'The Commonwealth and the Nigeria/Biafra conflict', *Institute of Commonwealth Studies Collected Seminar Papers*, 6 (1969), 25 (Collected Papers on the Impact of African Issues on the Commonwealth).

<sup>100</sup> Confidential Memorandum from the British High Commission Lagos, 15 Dec. 1967 (PRO/FCO/38/113, fo. 292).

<sup>101</sup> Confidential Memorandum from the British High Commission Lagos, 15 Oct. 1967 (PRO/FCO/38/113). Admittedly, Shell-BP did not disclose all its activities to the Nigerian side. Prior to the war, for instance, the company was the main supplier of

fighting area. Until a peace settlement satisfactory to the Biafrans is concluded, sabotage of these installations, even if taken by Federal forces, can be expected from Ibo guerillas.<sup>102</sup>

The oil disruption in Port Harcourt also hindered Shell-BP production even in Mid-Western Nigeria, which was under the control of the Federal government, where it was producing 122,000 barrels of crude oil daily before the civil war in 1967, equal to 26 per cent of Nigeria's total oil production (see Table 1).<sup>103</sup> The problem was that the oil had to be shipped through Bonny, which at the time was not safe. Furthermore, silting of the approaches to the Bonny terminal during the early parts of the war reduced its unit tanker capacity from 70,000 tons to about 40,000 tons. Even with the use of smaller tankers, the short haul from Nigeria to Britain was still more profitable than the Cape route used for Gulf oil.<sup>104</sup> Despite the prospects for Eastern Region oil, the civil war made the source unreliable. Luckily for Shell-BP, prior to the war, it had planned a second terminal off Forcados, which was in Federal territory. Construction of the terminal and the pipelines, which started during the war, took 18 months and was completed in the middle of 1969. This new terminal had the capacity to accommodate 200,000-ton tankers and to handle all the Mid-Western Region oil production, which was expected to exceed 18 million tons.<sup>105</sup> Consequently, Nigerian oil production, which fell to 142,000 barrels per day in 1968, rose to 540,000 barrels per day in 1969.<sup>106</sup>

The implication was that while Nigeria generated immense revenue from oil, which helped it finance its war efforts, the same could not be said of Biafra.<sup>107</sup> Oil exports for Biafra throughout the war were almost non-existent.<sup>108</sup> This, coupled with an effective air and sea embargo, increased British and Soviet Union military supplies to Nigeria, and waning French support, finally led to its surrender in January 1970. This, no doubt, was to the relief of both Shell-BP and the British government.

---

aviation fuel to São Tomé. Once the war started, however, São Tomé became a major transit centre for Biafran arms and relief. The result was that Shell-BP was fuelling the planes that carried arms and relief into Biafra. Shell-BP was willing to continue with this profitable arrangement, which was described by the British establishment as 'a minor conflict of interest' so long as it did not attract unfavourable publicity. See, A. Zalik, 'The Niger Delta: "petro violence" and partnership development', *Review of African Political Economy*, 101 (2004), 407–8.

<sup>102</sup> Restricted Memorandum, 'The resumption of Nigerian oil supplies', 27 June 1968 (PRO/FCO/38/321, No. 120903).

<sup>103</sup> See Estrange to Davies, 2 Aug. 1968 (PRO/FCO/38/321, fo. 54).

<sup>104</sup> Restricted Memorandum, 'The resumption of Nigerian oil supplies', 27 June 1968.

<sup>105</sup> Tebbit to Hunt, 20 Oct. 1967 (PRO/FCO/38/113, fo. 273).

<sup>106</sup> Table 1. See also S. Schatz, 'A look at the balance sheet', *Africa Report* (1970), 19.

<sup>107</sup> See S. Meisler, 'The Nigeria which is not at war', *Africa Report*, (1970), 17; and J. Abiodun, 'Locational effects of the civil war on the Nigerian petroleum industry', *Geographical Review*, 64 (1974), 255.

<sup>108</sup> For the main sources of Biafran foreign exchange, see Nafziger, *Economics of Political Instability*, 165–7.



Table 1. *Nigerian crude oil production and exports (1958–1970)*

Year	Volume (000) barrels per day		Value (million £)	
	Production	Exports	Production	Exports
1958	5	5	0.9	0.9
1959	11	11	2.6	2.6
1960	17	17	4.2	4.2
1961	46	46	11.3	11.3
1962	68	68	17.2	17.2
1963	76	76	20.1	20.1
1964	120	120	32.1	32.1
1965	270	266	69.1	68.1
1966	415	383	100.1	92.0
1967	317	300	76.6	72.4
1968	142	142	36.6	36.6
1969	540	496	130.9	120.4
1970	1080	990	255.0	234.5

*Source:* Okolo, 'The political economy', 110.

#### CONCLUSION

Using newly available documents from the Public Records Office in London, this article represents the first systematic attempt to unravel the true extent of the role that British oil interests played in the decision of the British government to insist on a 'One Nigeria' solution to the Nigeria/Biafra conflict. It shows how the economic calculations of the British government, in respect of protecting its interest in Nigerian oil, played an important role in the formulation of the British policy on the Nigerian conflict. British oil interests helped shape the eventual outcome of the conflict. Despite the fact that the war ended over 35 years ago, the struggle for the allocation and control of oil resources remains one of the most divisive factors in Nigeria. The country's oil wealth has done little to aid national unity or to promote economic growth. Rather, it has engendered a struggle for control of the oil resources among the various regions. The consequence has been neglect of other productive sectors of the economy. Oil has thus facilitated the shifting of emphasis from economic production to political control. This has increased the country's dependence on oil revenue, fuelled corruption and distorted social values. The consequence is that Nigerians are poorer today than they were before the discovery of oil.<sup>109</sup> Ironically, while the struggle for control of the country's oil resources played, and continues to play, a vital role in preventing the break-up of

<sup>109</sup> J. Herbst, 'Is Nigeria a viable state?', *Washington Quarterly*, 19 (1996), 159; and C. Uche and O. Uche, 'Oil and the politics of revenue allocation in Nigeria', *Africa Studies Centre Leiden Working Paper*, 54/2004 (Leiden, 2004), 41.

Nigeria, the method of allocating oil revenue continues to cause bitterness.<sup>110</sup> This view has been aptly summarized:

In a paradoxical sense, it may have been the very promise of actual or even future access to oil wealth which has, to a large extent, kept the various separatist, conflictual and destructive influences in Nigeria at bay. In other words, while the promise of the piece of the 'oil' pie keeps Nigeria together as a nation, the very nature of its distribution has destroyed the social, economic and political fabric within. Thirty years of oil money rewarding and encouraging the lack of efficiency and the lack of productivity has taken its toll on the Nigerian economy. It is a matter of debate whether, if oil had not been discovered, tribal rivalries would have broken the Nigerian nation apart; but it is incontestable that Nigeria in the 1990s is in more dire straits, economically and perhaps even politically, than the Nigeria of the years when oil was not the mainstay of the economy.<sup>111</sup>

The debate about the oneness of Nigeria and the role of various economic and political factors in the Nigerian civil war will no doubt continue for a long time. What this article has now made indisputable is the fact that British oil demands and the need to protect British oil interests played an important role in the decision of the British government to support a 'One Nigeria' solution to the Nigerian crisis.

<sup>110</sup> In the recently concluded National Political Reforms Conference, called to rewrite the country's Constitution and ease ethnic and religious tensions, resource control was the major divisive issue. Specifically, the delegates of the oil-rich Niger Delta region, or 'south-south', demanded an immediate increase in the region's oil revenue share based on derivation from the current 13 per cent to 25 per cent, with a target of 50 per cent within the next five years; the conference offered the region 17 per cent. The group then staged a walk-out and even boycotted the presidential gala where recommendations from the conference were submitted.

<sup>111</sup> S. Khan, *Nigeria: The Political Economy of Oil* (Oxford, 1994), 8–9. See also P. Olayiwola, *Petroleum and Structural Change in a Developing Country* (New York, 1987), 89; and E. Ahmad and R. Singh, 'Political economy of oil revenue sharing in a developing country: illustrations from Nigeria', *IMF Working Paper*, WP/03/16 (Washington DC, 2003), 3.