

**A HISTORY OF INDUSTRIAL DEVELOPMENT IN THE KADUNA  
STATE OF NIGERIA,  
1976-2010**

**BY**

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**University of Zululand, Republic of South Africa**

**Promoter: Dr Maxwell Zakhele Shamase**

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## Quotation

“Four years ago I called for the production of an Industrialists’ Guide in order that information on the industrial possibilities of Northern Nigeria would be readily available to investors interested in contributing to the development of this country. The Guide was distributed throughout the world, receiving wide acclaim, not only from potential entrepreneurs, but also from educational institutions eager for news of the emerging African countries. Because of increasing interest from industrialists the time has come to publish more detailed information about opportunities existing here. Thus, I have directed that wide publicity be given to a comprehensive industrial and economic survey recently completed by a firm of consultants of world repute, and also to the progress we have made during the last few years. Industrialists can come to Northern Nigeria, a country politically stable and economically sound; knowing their participation in our development is welcome, and that no effort will be spared to assist them in speeding the development programme to our mutual benefit”<sup>1</sup>

*-Sir Ahmadu Bello, the Sardauna of Sokoto and the former premier of Northern Nigeria 1963-*

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<sup>1</sup>*Industrial Potentialities of Northern Nigeria*, Ministry of Trade and Industry, Kaduna, 1963, p, ii

### **Approval**

This thesis has been read and approved in fulfilment of the academic requirements for the degree of Doctor of Philosophy in History, Department of History, Faculty of Arts, University of Zululand, Republic of South Africa.

**Sign:**.....

**Date:**.....

Dr. Maxwell Zakhele Shamase

**Promoter**

### **Declaration**

I declare that this thesis “**A History of Industrial Development in the Kaduna State of Nigeria, 1976-2010**” represents my own work and that all sources I have used or quoted have been indicated and properly acknowledged for future reference.

.....  
**Student Name: Salihu Mustapha Zubairu**

## **Dedication**

This work is dedicated to the following:

1. To my Mum Hajiya Maryam Salihu Usman, My wife Salima Nuhu and My Kids Nana-Aisha, Ruqayyah and Abubakar Sadiqqe.
2. Oppressed Nigerians, particularly those who lost their jobs during industrial crisis (closure) in Nigeria.

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## Abstract

*The study examines the historical process that laid the solid foundation for the establishment of industries in Kaduna State. The study argues and demonstrates that Kaduna possesses large markets and cheap labour occasioned by the incessant migration to the town at the early period of its establishment. Availability of raw material and its strategic location with regard to industrialization at both federal and state level led not only the establishment of industries but to the proliferation of large, small and medium industries in the state. The study also establishes that infrastructure such as adequate electricity, a good road network, and areliable water supply have played a critical role in the survival of such industries. It is shown in the research that the industries enjoyed prosperity and development for nearly two- and-a-half decades after 1954. Industrial decline began in 1976 with the nationalization and indigenization of the industrial sector of Nigeria. By the late 1980s a number of industries had collapsed as a result of the Structural Adjustment Programme (SAP) which gave room for second tie foreign exchange market. This resulted to a substantial devaluation of the naira, the abolition of import licences, changes to import duties intended to reduce the protection of domestic industries and the import-dependence of manufacturing, the abolition of export duties, deflationary management policies, deregulation of the banks, and a programme of privatization for some parastatals. Production and use of locally produced basic intermediate inputs by local industries were discouraged. The profitability of local production compared to imports fell significantly because of the substantial depreciation of the exchange rate of the naira against major international currencies. The study also establishes that other factors had contributed immensely to the decline and eventual collapse of industries in Kaduna state, import of foreign goods and materials, lack of proper control of borders, and the negligent attitude of politicians with the helm of the country's affairs in their hands, production of inferior goods, corruption, and unfavourable and multiple taxation, among other things. The study also establishes that the collapse of industries in Kaduna state has created a wide econoiic gap which may take a long time to be filled. The effects include widespread unemployment, with hundreds of thousands of workers losing their jobs, particularly in the manufacturing industries such as textiles and food processing; widespread insecurity and interethnic religious crises in virtually all the nooks and crannies of Kaduna state. In fact the current security challenges that the country faces have a direct connection with the proliferation of unemployed youths. Poverty and popular hostility are increasing, which has created a huge problem the state which is finding them very difficult to contain. Finally, the study offers suggestions for the way forward. The challenges facing the power sector (shortages) must be squarely addressed, especially in the areas of energy generation, transmission, and distribution; corruption; unfavourable policies and multiple-taxation. When these are addressed, Kaduna State and Nigeria in general can be reindustrialized since they have both the human and mineral resources for such enterprise.*

## Samevatting

*Die hoofdoel en stukrag van die studie ondersoek die geskiedkundige proses wat die vaste grondslag gevorm het vir die totstandkoming van industrieë in Kaduna staat. Die werkstuk voer aan en demonstreer dat Kaduna oor groot markte en goedkoop arbeid beskik, en daarmee saam het voortdurende migrasie na die dorp kort nadat dit ontstaan het, die beskikbaarheid van rou materiale asook die dorp se strategiese ligging daartoe bygedra. Die regering se beleid met betrekking tot industrialisering op federale sowel as staatsvlak het nie net gelei tot die skepping van industrieë nie, maar ook tot die uitbreiding van groot, klein en mediumgrootte industrieë in die staat bygedra. Hierdie studie het ook bevind dat infrastrukturele fasiliteite soos genoegsame elektrisiteit, 'n goeie padnetwerk en voldoende watervoorsiening 'n kardinale rol gespeel het in die oorlewing van hierdie industrieë. Navorsing het bewys dat hierdie industrieë vooruitgang en ontwikkeling vir amper twee en 'n half deklades geniet het sedert 1954. Die probleme van industriële verval het begin voorkom in 1976 met die nasionalisering en inheemsifisering van die industriële sektor van Nigerië. Teen die laat 1980s het 'n groot aantal industrieë reeds tot niet gegaan as gevolg van die "Strukturele Aanpassingsprogram" (SAP), wat plek gemaak het vir 'n tweede vlak buitelandse handelsmark wat gelei het tot 'n substansiële afgradering van die Naira, die afskaffing van invoerlisensies, veranderinge aan invoerbelasting wat gemik was om die beskerming van plaaslike industrieë te verminder en die invoerafhanklikheid van vervaardiging, die afskaffing van uitvoerbelasting, deflasionêre bestuursbeleid, deregulering van banke en 'n program om sommige semi-staatsinstellings te privatiseer, die vervaardiging en gebruik van plaaslik vervaardigde intermediêre insette van plaaslike industrieë is ontmoedig. Die winsgewendheid van plaaslike produksie, vergeleke met invoere het merkbaar afgeneem as gevolg van die beduidende depresiasie van die wisselkoers van die Naira teen ander groot internasionale geldeenheide en aangesien die Nigeriërs 'n onversadigbare liefde vir buitelandse goedere ontwikkel het, het dit gelei tot die ontwikkeling van 'n onstuimige swartmark ekonomie wat die kantmark in staat gestel het om die plaaslike tekstielbedryf te ondermyn, waarvoor Kduna en Zaria bekend was. Die studie het ook bevind dat ander faktore grootliks bygedra het tot die afname en uiteindelijke verval van industrieë in die Kaduna staat, soos die invoer van buitelandse goedere en material, die gebrek aan behoordlike grensbeheer en die feit dat politici, met die hef van die land se sake in hul hande, die gebiede afgeskeep het, die produksie van swak produkte toegelaat het terwyl korrupsie en verskeie belastinge, ook bygedra het. Die studie het ook bevind dat die nadraai van die verval van industrië in die Kaduna staat 'n groot gaping geskep het wat moontlik 'n lang tyd sal neem om te vul. Dit het, onder andere, toestande geskep van werkloosheid aangesien honderd duisende arbeiders hul werk verloor het in die vervaardigingsbedryf soos tekstiele en voedselverwerkingsaanlegte. Daar was wydverpreide onsekerheid en 'n inter-etniese godsdienstige krisis regoor die Kaduna staat. Inteendeel, die huidige veiligheidsuitdagings wat die land in die gesig staar het 'n direkte verhouding met die toename in werklose jongmense. Die armoede en nydigheid is besig om toe te neem en groot probleme vir die staat te skep wat moeilik beperk kan word. Ten slotte, die studie bied voorstelle vir 'n roete om in te slaan, die uitdagings van die enersiësektor (tekortkominge) moet direk aangespreek word, veral op die gebied van energie opwekking, oordraging en verspreiding. Wanneer korrupsie, ongunstige beleid en veelvuldige belastinge in die Kaduna Staat en Nigerië in die algemeen aangespreek word, kan herindustrialisering plaasvind want daar is potensiaal daarvoor. Daar is ook minerale en vaste bronne vir die herindustrialisering van veral Kaduna staat, maar ook van Nigerië in die algemeen.*

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## **Abbreviations**

ABU	Ahmadu Bello University
ADO	Assistant District Officer
ADS	Alhassan Dantata and Sons
AGO	Automotive Gas Oil (Ago-Diesel)
AH	Arewa House
AC	Alternating Current
AGI	Association of Ghanaian industries
ANPP	All Nigerian People's Party
AS	Aromatic Solvent
BCGA	British Cotton Growers Association
BEUCS	British and European Union Certifications and Stamps
BOI	Bank of Industry
BUK	Bayero University Kano
BOI	Bank of Industry
CB	Cotton Board
CFAO	Compagnie Francaise Afrique Occidentale
CFO	Certificate of Occupation
CIDA	Canadian International development Agency
CJAS	CanadianJournalof African Studies
C.M.S	Christian Missionary Society
CO	Colonial Office
CUP	Cambridge University Press
CDU	Crude Atmospheric and Vacuum Distillation Units
CST	Country Study Team
DA	District Assessment
DAC	Division of Agricultural Colleges
DH	District Head
DO	Divisional or District Officer
DP	District Police
DRR	District Reassessment Report

DPK	Dual Purpose Kerosene
ECN	Electricity Company of Nigeria
ECOWAS	Economic Community of West Africa States
EFCC	Economic Financial Crime Commission
FCCS	Federal College for Cooperative Studies
FCE	Federal College of Education
FPK	Federal Polytechnic Kaduna
FDA	Food and Drug Administration of the United States
FTL	Funtua Textile Ltd
GB	Groundnut Board
GBO	G. B. Olivant
GRA	Government Reservation Area
GCM	Ghana chamber of mines
GDP	Growth Domestic Products
GNCC	Ghana Chamber of Commerce
HA	Heavy Alkylate
HMSO	Her Majesty's Stationary Office
HFW	Hydro-Finished Wax
HP	Heavy Paraffins
HPFO	High Pour Fuel Oil
IFI	International Financial Institutions
IIBL	Industrial and Insurance Brokers Leasing Company of Nigeria Ltd
IJAHS	International Journal of African Historical
IAEA	International Atomic Energy Agency
ICON	Industrial Development Finances Company
ICON	Investment Company of Nigeria
ICPC	Independent Corrupt Practices Commission
IDIB	Industrial and Insurance Brokers
IPPs	Independent Power Projects
ITO	International Trade Organization
JAHS	Journal of African History

JHSN	Journal of Historical Society of Nigeria
JV	Joint Venture
KASU	Kaduna State University
KIL	Kashim Ibrahim Library
KM	Kilo Mile
KRPC	Kaduna Refinery and Petrochemical Company
KS	Kero Solvent
KTL	Kaduna Textile Ltd
LKC	London and Kano Company
LAB	Linear Alkyl Benzene
LGA	Local Government Area
LBO	Lube Base Oils
LECON	Leasing Company of Nigeria Ltd
LNG	Liquefied petroleum Gases
LPFO	Low Pour Fuel Oil
LPG	Liquefied Petroleum Gas
LPG	Liquefied Petroleum Gases
LTD	Limited
MA	Master of Arts
MB	Marketing Boards
MOA	Ministry of Agriculture
MOED	Ministry of Economic Development
MRP	Monthly Review Press
MAED	Model for the Analysis of Energy Demand
MAN	Manufacturing Association Of Nigeria
MESSAGE	Model for the Energy Supply Strategy Alternatives and Their General Environmental Impact
MOU	Memorandum of Understanding
MW	Mega watts
NA	Native Authority
NAK	National Archives Kaduna

NAPRI	National Animal Production Research Institute
NBCI	Nigerian Bank for Commerce and Industry
NBP	Nuhu Bamalli polytechnic
NBTE	National Board for Technical Education
NCAT	College of Aviation Technology
NCO	Non Commissioned Officer
NDA	Niger Dams Authority
NDA	Nigerian Defense Academy
NERFUND	National Economic Reconstruction Fund
NES	Nigerian Economic Society
NHRS	Northern History Research Scheme
NIARP	National Institute for Agricultural Research
NIBD	Nigerian Industrial Development Bank
NITT	Nigerian Institute of Transport Technology
NLRIT	National Leather Research Institute of Technology
NMB	Northern Marketing Board
NNAR	Northern Nigerian Annual Report
NRC	Nigerian Railway Corporation
NRICT	National Research Institute of Chemical Technology
NT	Native Treasury
NTI	National Teachers Institute
NACCIMA	Nigerian Association of Chambers, commerce, industry, manufacturing and Agriculture
NAFDAC	National Agency for Food and Drug Administration and Control
NBCI)	Nigerian bank for commerce and industry
NEITI	Nigeria Extractive Industries Transparency Initiative
NEPA	National power Authority
NERFUND	National Economic Reconstruction Fund
NESCO	Nigerian Electricity Supply Corporation
NESREA	National Environmental Standards and Regulation Enforcement Agency
NIBD	Nigerian industrial development bank

NIDB)	Nigerian industrial development bank
NIID	National Integrated Industrial Development
NNDC	Northern Nigerian Development Company
NNNPC	Northern Nigerian Newspapers Company
NNPC	Nigerian National Petroleum Company
NNTL	Northern Nigeria textiles Ltd
NOCACO	Northern Cable Company Ltd
NP	Normal Paraffins
NUPENG	National Union of Petroleum and Natural Gas Workers
OUP	Oxford University Press
PWD	Public Works Department
PAN	Peugeot automobile Nigeria
PAYE	pay-as-you earn
PDP	People's Democratic Party
PhD	Doctor of Philosophy
PHCN	Power Holding Company of Nigeria
PMS	Premium Motors Spirit
PPMC	Pipelines and products marketing company
PZ	Patterson Zachonic
RNC	Royal Nig.er Company
RWAFF	Royal West African Frontier Force
SCE	State College of Education
SNP	Secretariat of Northern Province
SAP	Structural Adjustment Programme
SF	Sulphur Flakes
SMIEIS	Small and Medium Industries Equity Investment
SON	Standard Organization of Nigeria
SSICS	Small Scale Industry Credit Scheme
UAC	United African Company
UDU	Usman Danfodio University
USA	United States of America

UAC	United African Company
UK	United Kingdom
UNIDO	United Nations Industrial Development Organization
UNITEX	United Textile
UNTL	United Textile Limited
USDA	United States Department of Agriculture
VAT	personal income tax
VON	Volkswagen
WAITR	West African Institute for Trypanosomiasis Research
WTO	World Trade Organization
WT	Working Team
WTO	World Trade Organization
ZARPROF	Zaria Province
ZPC	Zaria Pharmaceutical <i>Company</i>
ZTIL	Zamfara Textile Industry Ltd

## Glossary

<i>Arewa</i>	Northern part of Nigeria
<i>Bazara</i>	Hot season
<i>Boko</i>	Western education
<i>Dagi</i>	Digger
<i>Daji</i>	Forest/woodland
<i>Dako</i>	Human portage
<i>Damina</i>	The rainy season
<i>Dari</i>	Severe cold/hamattan season
<i>Gwari</i>	Minority ethnic group found in North-western and Central Nigeria
<i>Hausa</i>	Language spoken by majority of people from Northern Nigeria
<i>Idoma</i>	Minority ethnic tribe in North-Central Nigeria
<i>Igala</i>	Minority ethnic tribe in North-Central Nigeria
<i>Kada</i>	Crocodile
<i>Yoruba</i>	Language spoken by majority of people of South-western Nigeria

## **Preface**

Chapter one of the thesis provides basic background information for the study such as its aim and objectives, the research questions, scope, limitations and significance of the study. The chapter also reviews numerous pieces of literature relating to the research, both primary and secondary source materials that deal directly or indirectly with the subject matter. These sources differed in their strengths and limitations. Some provided extensive information and formed the basis of the study. Also discussed in the chapter is the research methodology, where various sources of information used in writing the thesis are given, including interviews conducted with relevant individuals and groups in various parts of the area and elsewhere, and assessed by comparing them with other sources like archival materials, etc. Finally, the chapter explains how the research will be disseminated, ethical considerations and the dissertation's structure.

Chapter Two examines the historical process that laid the solid foundation for the establishment of industries in Kaduna State. It argues that the strategic location of Kaduna as the headquarters of the former Northern Nigeria has played a vital role in the location of industries in Kaduna. This was further strengthened with the availability of raw material needed for the ever increasing industries. Similarly, Kaduna was presumed to possess large markets and cheap labour occasioned by the incessant migration to the town in the early period of its establishment. The chapter also analyses the government's policies with regard to industrialization at both federal and state levels, and how it affected the proliferation of industries in the state. It also examines the various phases and processes that led to the large-scale concentration of industries in the state.

Chapter Three examines the role of electricity in the establishment of industries in Kaduna. The issue of electricity and water supply in this process played a critical role. The study argues that no industry anywhere in the world could have been established and sustained without enough energy to facilitate production. It could be said that energy is the backbone of industrial development. No meaningful economic activities could take place without an adequate supply of electricity. The transmission and distribution system and management of electricity are central in the energy supply. Water, too, was very important for industrial processes. The chapter examines the vital role played by water in Kaduna's industrial growth. It traces the sources of water for industries in Kaduna, and analyses the constraints on industrial development caused by an

inadequate supply. Labour is the backbone of industrial production, and the chapter examines its contribution in the industrialization of Kaduna. It analyses the composition, structures, and sources of labour in various industries. At end, the chapter critically analyses the status and nature of businesses in the various industrial establishments in Kaduna, ranging through manufacturing, agriculture and food processing, textiles, automobiles, media and publishing companies, health and pharmaceuticals, mining, oil and petrochemicals, and construction industries.

Chapter Four examines the underlying critical factors in the collapse of industries in Kaduna state, including frequent power failure, the importation of foreign goods. The research findings established that lack of proper control of borders (porous borders) and the negligence of the country's ruling politicians had contributed immensely to the collapse of local industry. The chapter also examines the part played by the production of inferior goods in this collapse. Corruption and unfavourable government policies also played a role in the collapse of industry in Kaduna state in particular, and Nigeria in general. The research findings show that Nigeria has rated among the most corrupt countries in the world, and therefore identifies corruption as a major impediment to industrial development; the costs of production have also significantly contributed largely due to the high cost of procuring and transporting material from foreign countries. Nigeria. The chapter identifies the introduction of the structural adjustment programme (SAP) by the Babangida regime, lack of proper implementation of national development plans and industrial development policies and strategies, imposition of unnecessary taxes and levies, and duplicating the functions of government agencies and commissions as hindrances to industrial development. In the process of establishing firms in Nigeria huge amounts of money are required to be paid at various levels of local, state and Federal Governments before approval is given.

Chapter Five evaluates the aftermath of industrial collapse in Kaduna state in respect of Socio-economic Development during the period from 1990 to 2010. Kaduna State. The research findings show that the collapse of industries in Kaduna state has created a wide economic gap which may take a long time to be filled. As a result of the closure of industries in Kaduna state hundreds of thousands of workers lost their jobs, particularly in the manufacturing industries,

such as textiles and food-processing mills. The chapter provides statistics of the number of workers that lost their jobs. It also examines the widespread insecurity and interethnic religious crises in virtually all the nooks and crannies of Kaduna State. Research has established that current security challenges the country faces have a direct connection with the proliferation of unemployed youths. It has also revealed that poverty and disease are increasing, which has created huge problems for the state.

Chapter Six of the thesis attempts to offer a solution to the rampant industrial decline and collapse in Kaduna State in particular and Nigeria in general, which, if fully implemented, could enhance the prospect for the economic development of Kaduna State. The chapter suggests that for local industries to succeed the issues of power shortages, multiple taxation, the import of foreign goods and services into the country without proper border control, corruption, the production of inferior goods, some government policies and failure in the implementations of successive national development plans (1968-1985) must be addressed immediately. The thesis wraps up with a general conclusion, a source-list and appendices.

## ***Inleiding***

*Hoofstuk een van hierdie verhandeling verskaf basiese agtergrondinligting vir die studie, soos die doelwitte, navorsingsvrae, die bestek en beperkings en die belang van die studie. Die hoofstuk hersien ook verskeie literatuurbronne wat verband hou met huidige navorsing, beide primêre en sekondêre bronnemateriaal wat direk of indirek met die studie-onderwerp verband hou. Hierdie bronne het in sterkte en beperkings verskil – sommige het uitgebreide inligting verskaf en dit het die grondslag van die studie gevorm. Daar word verder in hierdie hoofstuk die navorsing metodologie bespreek waar verskillende bronne van inligting gebruik word in die skryf van die verhandeling. Dit sluit mondelingse onderhoude wat gevoer is met relevante mense en groepe in verskeie dele van die gebied en elders. Dit word beoordeel deur dit te staaf met ander bronne soos argiefmateriaal ens. Verder verskaf die hoofstuk inligting oor hoe die navorsingsresultate versprei sal word, etiese faktore en die verhandelingstruktuur.*

*Hoofstuk twee van die verhandeling ondersoek die geskiedkundige proses wat 'n vaste fondament gelê het vir die skepping van industrieë in Kaduna staat. Dit redeneer en demonstreer hoe die strategiese ligging van Kaduna, wat die hoofkwartier van die voormalige Noord Nigerië was, 'n bepalende rol gespeel het in die ligging van besighede in Kaduna. Dit is verder versterk met die beskikbaarheid van rou materiale wat nodsaaklik was vir die groeiende industrieë.*

*Net so was aanvaar dat Kaduna oor groot markte en goedkoop arbeid beskik het, en dat voortdurende migrasie aan die beginjare van die dorp hiertoe bygedra het. Verder analiseer hierdie hoofstuk die regering se beleid van industrialisering op beide federale en staatsvlak en hoe dit die ontwikkeling van industrieë in die staat beïnvloed het. Dit ondersoek ook die verkeie fases en prosesse wat gelei het tot die grootskaalse konsentrasie van industrieë in die staat.*

*Hoofstuk drie ondersoek die rol van elektrisiteit in die industriële grondslag van Kaduna. Die kwessie van elektrisiteits- en waterverskaffing in die grondslag van industrieë van Kaduna het 'n kardinale rol gespeel. Die studie voer aan dat geen industrie op enige plek in die wêreld tot stand kan kom en kan floreer sonder voldoende energie wat produksie fasiliteer nie. Daar kan gesê word dat energie die ruggraat is van industriële ontwikkeling. Geen noemenswaardige ekonomiese aktiwiteite kan plaasvind sonder 'n genoegsame voorsiening van elektrisiteit nie. Die versending- en verspreidingsstelsel en bestuur van elektrisiteit is die kern in energieverkaffing. Daarby is water baie belangrik vir industriële prosesse. Dus ondersoek hierdie hoofstuk die kardinale rol wat gespeel is deur water in die grondslag en industriële groei in Kaduna. Dit ondersoek die waterbronne van Kaduna se industrieë en ontleed die beperkings wat onvoldoende water gestel het aan industriële ontwikkeling in Kaduna.*

*Arbeid is die ruggraat van industriële produksie en dus ondersoek hierdie hoofstuk ook die rol en bydrae van arbeid in die grondslag van industrieë in die gebied van die studie. Dit ontleed die samestelling, strukture en bronne van arbeid in die verkillende industrieë in Kaduna. Ten slotte is daar 'n kritiese ontleding in die hoofstuk van die status en aard van besigheide in die onderskeie industrieë in Kaduna, wat gewissel het van vervaardiging, landbou en voedselverwerking, tekstiel, voertuie, media en publiserings maatskappye, gesondheid en medisyneleer, mynbou, olie en petrochemikalië sowel as konstruksie industrieë.*

*Hoofstuk vier is die kritiese ondersoek van die onderliggende faktore wat bygedra het tot die verval van industrieë in Kaduna Staat van Nigerië. Die navorsingsbevindings getoon dat verskeie faktore verantwoordelik was vir die verval van die industrië, insluitend dat onvoldoende kragvoorsiening of gereelde kragonderbrekings een van die belangrikste faktore was in die afname en uiteindelijke verval van industrieë in Nigerië. Ons het die relevansie en kritiese rol van energie in die industriële ontwikkeling in Kaduna Staat in hoofstuk drie van die navorsing bespreek en daarom sal daar in hierdie hoofstuk probeer word om te ondersoek hoe die gebrek aan energie industriële ontwikkeling lamgelê het.*

*Ons het verder aangevoer dat nog 'n faktor wat grootliks bygedra het tot die afname en uiteindelijke verval van industrieë in die Kaduna Staat die invoer van buitelandse goedere en materiaal was wat noodsaaklik was vir die plaaslike industrieë. Die navorsingsresultate het bewys dat 'n gebrek aan behoorlike grensbeheer en die agterlosigheid van politici, wie aan die stuur was van die land se sake, tot 'n groot mate bygedra het tot die verval van plaaslike besighede. Korrupsie en ongunstige staatsbeleid het ook 'n rol gespeel in die verval van industrie in Kaduna staat en ook in Nigerië in die algemeen.*

*Maar, ons navorsingsresultate het gewys dat Nigerië een van die mees korrupte lande in die wêreld is en daarom het hierdie navorsing ook korrupsie as 'n groot struikelblok vir industriële ontwikkeling geïdentifiseer. Die koste van produksie het ook merkbaar bygedra tot die verval van industrië in Kaduna – hoofsaaklik omdat die hoë koste van die aankoop van materiaal van buitelandse state en die koste van vervoer saam die industriële ontwikkeling van Nigerië, wat groot potensiaal het vir industrialisering, beïnvloed. Hierdie hoofstuk identifiseer ook die bekendstelling van die Strukturele Aanpassingsprogram (SAP) deur die Babangida regime, 'n tekort aan behoorlike implementering van nasionale ontwikkelingsplanne en die dupliseringsfunksies van regeringsagentskappe en kommissies op industriële sake as 'n groot belemmering vir industriële ontwikkeling. Ten einde firmas in Nigerië te skep moet enorme bedrae geld op verkeie vlakke van plaaslike, staats en federale regering betaal word voordat toestemming verleen word.*

*Hoofstuk vyf evalueer die nadraai en impak van die verval van verskeie industrieë in Kaduna staat wat betref sosio-ekonomiese ontwikkeling in die periode 1990-2010. Dit ondersoek ook die impak van die verval/geslote industrieë op die sosio-ekonomiese ontwikkeling van Kaduna staat. Die navorsingsbevindinge toon dat die verval van industrieë in Kaduna staat 'n groot gaping geskep het wat 'n lang tyd kan neem om opgevolg te word. Van die gevolge sluit in werkloosheid as 'n gevolg van die sluiting van besigheide in Kaduna staat het honderd duisende*

*arbeiders hul werk verloor het in die vervaardigingsbedryf soos tekstiele en voedselverwerkings aanlegte. Die hoofstuk verskaf statistieke van die aantal werkers wat hul werk verloor het. Dit hoofstuk ondersoek ook die wydverpreide onsekerheid en 'n inter-etniese godsdienstige krisis regoor die Kaduna Staat. Inteendeel, die huidige veiligheidsuitdagings wat die land in die gesig staar het 'n direkte verhouding met die toename in werklose jongmense. Die armoede en nydigheid is besig om toe te neem en groot probleme vir die staat te skep wat moeilik beperk kan word.*

*Hoofstuk ses van die verhandeling poog om oplossings aan te bied vir die buitensporige industriële afname en verval van Kaduna staat spesifiek, en Nigerië in die algemeen. Die hoofstuk maak ook interessante voorstelle en bied 'n pad vooruit wat, indien dit volledig geïmplementeer word, die vooruitsigte, moontlikhede en potensiaal vir die staat kan aanwend en gebruik vir ekonomiese ontwikkeling en die verbetering van Kaduna staat. Die hoofstuk stel voor dat plaaslike besigheide slegs sal floreer indien die uitdagings van die energiesektor (tekortkominge) direk aangespreek word, korrupsie, ongunstige beleid en veelvuldige belastings in die Kaduna Staat en Nigerië in die algemeen aangespreek word.*

*Die produksie van swak goedere moet aangespreek word en so ook sommige staatsbeleide en die mislukking van die implementering van opeenvolgende nasionale ontwikkelingsplanne (1968-1985) moet onmiddelik aangespreek word. Hoofstuk sewe bevat 'n algemene gevolgtrekking en bibliografie en aanhangsels.*

## General Introduction

Several research studies conducted by researchers and other scholars in the field of economic history shown that industrial development in any where in the world provides the brightest hope for sustained economic growth, creates wealth, employment opportunity, and improved savings, and investments, in short, general economic development. There is no doubt that industrialization determines the dividing line between economically developed and developing nations. Nigeria now ranks very low on the welfare scale. We have gradually slid from a position in which Nigerians enjoyed a high standard of living in the 1960s to a position where we now compete at the lower rung of the ladder of less developed nations, despite the human and natural resources Nigeria is endowed with<sup>1</sup>. Available statistics indicate that in terms of per capita income, Nigeria is now the 13th poorest nation in the world. The above situation is rather unfortunate when considered against the huge resource endowment of the country. Nigeria, like other developing countries of the world, would only achieve and attain economic independence when its human and natural resources were fully utilized for industrial development<sup>2</sup>.

It is argued that industrialization in Kaduna State and Northern Nigeria in general started in the area later than in other parts of the country<sup>3</sup> although the region had over one half of the country's population<sup>4</sup> and land mass. Several factors accounted for the start of industrialization in Southern Nigeria before Northern Region. The purchasing power of southerners was greater than that of Northerners, there were dependable distribution networks, and the region is very close to the sea, which made it easier to import raw material and export finished products to other parts of the world. In the Northern Region some factors in favour of industrialization included: the population of the region, the vast land mass, raw-materials, and markets and financial incentives provided by the regional government Under the premiership of Northern Nigeria's Sir Ahmadu Bello, the Sardauna of Sokoto, political pressure of the government of the region was put on some industries supplying goods and services from the other parts of the

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<sup>1</sup>The profile of Kaduna State Nigeria published by Alhudahuda 2003, pp3-6, K. J. Bryant, *This is Kaduna*, 1979, pp., 1,4.

<sup>2</sup>Ibid, pp. 1.4.

<sup>3</sup> F.A.Wells and W. A. Warmington, *Studies in Industrialization of Nigeria and the Cameroon*, 1962, p.17.

<sup>4</sup>Federal Republic of Nigeria, National Population Commission, 2006, census figure.

country to come and establish their factories in the North. These included Turner's Cement-Asbestos Company and Nigerian Tobacco.

However, it should be noted that the large scale of manufacturing is a very recent addition to the Nigerian scene, and most parts of the country are still untouched by it. Manufacturing in Nigeria started in the early 1950s.<sup>5</sup> It is argued that the main cause of industrial development was that companies such as the United African Company (UAC), John Holt, Patterson Zachonics (P.Z.) etc., that were distributing imported goods in Nigeria found their positions threatened by increasing competition, and so they turned to local manufacturing. The first industries established in Kaduna were small and medium-sized, employing 10 to 50 people<sup>6</sup>. By 1957 there were 29 such industries in the Northern states of which 20 were in Kano, three each in Zaria and Jos, and two in Kaduna<sup>7</sup>. The industries were largely producing consumer goods or processing agricultural raw materials for export (68%) of the paid-up capital was foreign, followed by 22% from the Nigerian public, and Nigerian private industries had 10%<sup>8</sup>. The first large-scale industries, established in 1957, were United Nigerian Textiles Kaduna, a textiles mill, the Nigerian Tobacco Company in Zaria, and the Nigerian Bottling Company in Kano.

The concept of industrialization cannot be simply defined. Different scholars give several definitions of industrialization. According to Phyllis Deane, industrialization means:

- (1) widespread and systematic applications of modern and empirical knowledge to the process of production for the market;
- (2) movement of economic activity directed towards production for national and international markets rather than for family or parochial use;
- (3) movement of population from rural to urban communities;
- (4) enlargement and depersonalization of the typical unit of production so that it comes to be based less on the family or the tribe and more on corporate or public enterprises;
- (5) movement of labor from activities concerned with the production of primary products to the production of manufactured goods and services;
- (6) intensive and extensive use of capital resources as substitute for and complement to human effort;
- (7) emergence of new social and occupational classes determined by ownership of or

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<sup>5</sup> P. Kilby, *Industrialization in an Open Economy*, 1945-1966, pp. 53-54.

<sup>6</sup> National Archive Kaduna, Nigeria, File No. Zarprof C.8/54. Administration of Kaduna, 1954-1957.

<sup>7</sup> I. S. Suleiman, *Industrial Locations in Kaduna*, 1975, p.8.

<sup>8</sup>Ibid..p.20.

relationship to the means of production other than land, namely capital<sup>9</sup>.

It has been shown by the experts in the field of economic history that sustainable economic development can be achieved only when the industrial sector of the economy is working up to the expectations of the country. Sustained economic growth is essentially about structural transformation and technological upgrading. The shift of resources out of traditional agriculture and other low productivity primary activities, and the expansion of the 'modern' sector (including non-traditional agriculture) have been at the core of sustainable productivity gains that characterize economic development. There is strong consensus that industrial development is the backbone of the economy of most developed countries.<sup>10</sup>

J. Y Lin views industrialization as a very important institution which brings about development creates wealth, and increases national income derived from manufacturing activities and secondary industry. It also enables a proportion of the working population to engage in manufacturing activities. He further argues that:

Industrialization is an essential component of structural transformation. It has long been recognized as one of the main engines of economic growth, especially in the early stages of development. Its essential characteristics include (i) an increase in the proportion of national income derived from manufacturing activities and from secondary industry in general, except perhaps for cyclical interruption; (ii) a rising trend in the proportion of working population engaged in manufacturing; and (iii) an associated increase in the income per head of population. Few countries have been economically successful without industrialization. Only in circumstances such as extraordinary abundance of natural resources or land have countries been able to do so<sup>11</sup>.

The present research examines the industrial development in the Kaduna State of Nigeria during the period 1976-2010. Kaduna State is one of the 36 states in Nigeria including the Federal Capital Territory (FCT). The capital, Abuja, has a population estimated at about 6.2 million

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<sup>9</sup>D. Phyllis, *The First Industrial Revolution*, Cambridge University Press, 1974.p. 1.

<sup>10</sup>E. Aryeetey, et al.,*The Oxford Companion to the Economics of Africa*,p.296.

<sup>11</sup> J. Y. Lin, in E. Aryeetey, et al.,*The Oxford Companion to the Economics of Africa*, p.296.

according to the 2006 census figure<sup>12</sup>. In addition, the current projection has put the population of Kaduna State as 8.6 million.<sup>13</sup> The state at one point served as the headquarters of Northern Nigeria between 1900 and 1967, when regions were abolished and states were created during the Nigerian civil war. The state was first called North-Central State, but in 1976, when additional states were created, its name was changed to Kaduna State.<sup>14</sup>

In 1987 Katsina State was carved out of the state, when more states were created during the military dictatorship of General Ibrahim Badamasi Babangida. From the then 19 states two more were created, which brought the total number of states in the Nigerian federation to 21. As an urban centre it has gradually developed into a powerful industrial, commercial, and financial revenue centre of the state. Kaduna and Zaria towns are considered to be the urban centres of the state, containing up to a third of the total population. Kaduna State has 23 local government administrative areas<sup>15</sup> including Birnin Gwari, Chikun, Igabi, Ikara, Jaba, Jema'a, Kachia, Kaduna North, Kaduna South, Kargarko, Kajuru, Kaura, Kauru Kubau, Kudan, Lere, Makarfi, Sabon-Gari, Sanga, Soba, Zangon Kataf and Zaria<sup>16</sup>.

Kaduna State has multi-ethnic nationalities; Hausa are the predominant ethnic group comprising 65% of the population. Other Fulani ethnic group account for 10% of the population, and 25% belong to a mixture of other ethnic groups which includes Kadara, Kurama, Kamanton, Ruruma, Atachaata, Kataf, Bajju, Ikulu and the rest.<sup>17</sup>

Kaduna State is the second most economically and commercially advanced city after Kano in the North, and after Lagos in the South. There are several industries and companies located within 23 local governments in Kaduna. These include: Federal Super Phosphate Fertilizer Company,

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<sup>12</sup>Opcit.:Profile of Kaduna State, Nigeria,pp. 3-6.

<sup>13</sup>Nasir Ahmed El-Rufa'i, Kaduna State Governor, announced that the population of Kaduna State is estimated at 8.6 million people. The announcement was made during the swearing-in of new commissioners on 13 August, 2015.

<sup>14</sup>*Nigeria National Demographic Sample Survey: Kaduna State Report*, National Population Bureau, Lagos, 1980, p.1.

<sup>15</sup>In Nigeria there are three tiers of government which includes Federal Government at the centre, State government and then Local governments. These three tiers were designed to make the running day to day government easier, also to bring people closer to the government.

<sup>16</sup>Profile of Kaduna State, Ministry of Information, 2014, p.3.

<sup>17</sup>*Nigeria National Democratic Sample Survey: Kaduna State Report*, National Population Bureau, Lagos, 1980, p.4.

Ltd, Ideal Flour Mills (Nig.), Ltd, West African Bitumen Emulsion Company, Ltd, Roofco (Nig.), Ltd, Afco Industrial, Ltd, United Wire Products, Ltd, NOCACO (Nig.), Ltd, Queensway Aluminium (Nig.), Ltd, Tower Galvanised Products (Nig.), Ltd, Sunglass Company (Nig.), Ltd, Chelco Industries (Nig.), Ltd, Berec (Nig.), Ltd, Moukarim Industries (Nig.), Ltd, Leman Industries (Nig.),. Ltd, Kaduna Crown Cork Manufacturing Company (Nig.), Ltd, Eternal Electrical Engineering Works (Nig.), Ltd, Bus and Refrigerated Van Manufacturing, Ltd, .Muktar Foam Company (Nig.), Ltd, Solar Foam and Chemicals Company (Nig.), Ltd, Shempate Industry (Nig.), Ltd, Safa Foam Company (Nig.), Ltd, Defence Industries Corporation, Alcan Aluminium Company, Ltd, Auto Parts Industries (Nig.), Ltd, Unisteel Works, Ltd, Coast Plastic, Ltd, Turners Building Products (Arewa), Ltd, Ugochukwu Chemical Industry, Ltd, Starsteel (Nig.), Ltd, Technoplastic (Nig.), Ltd, Comrade Cycles (Nig.), Ltd, Electric Meter Company, Ltd, British American Tobacco (Nig.), Ltd, Zaria Industries, Ltd, First Aluminium (Nig.), Ltd, Crital Hope (Nig.), Ltd, Eslon (Nig.), Ltd. R. H. Plastic (Nig.), Ltd, ABG Electronic, Ltd, Arewa Metal Containers, Ltd, (ARMECO) A-Z Furniture Factory, Ltd, Kaduna Furniture and Carpeit Company (Kfcc) (Nig.), Ltd, International Parts Industry, Ltd, Kaita Brothers Toilet/Tissue Papers Manufacturing, Brossette Manufacturing (Nig.), Ltd, Motor Parts Industry (Nig.), Ltd, General Metal Products (Nig.), Ltd, John Holt Agric Engineering, Zarewa Aluminium (Nig.), Ltd, Mutunci Pipes Company (Nig.), Ltd, Nigeria Automative Parts Company, Ltd, Northern Cables Processing Company (Nocaco) (Nig.), Ltd, Reliance Equipment Manufacturing, Ltd, Unity Metal Products, Ltd, Mab Cables Industry, Ltd, Hospital Engineering (Nig.), Ltd, Nigeria Engineering Works, Ltd, Kemson (Nig.), Ltd, Incar (Nig.), Ltd, Burem (Nig.), Ltd, Nig.er Aluminium Manufacturing, Ltd, Prime Power Tonny Precious Manufacturing Technical Company (Nig.), Ltd, A. A. M Plastics, Ltd, M-Cee Cleaning Chemicals, Ltd, Sonostar International, Ltd,.Cedar Industrial Company, Ltd, Wictech Industries (Nig.), Ltd.<sup>18</sup>

Other major industries and companies includes: Zaria Industries (Nig.), Ltd, Metriscope (Nig.), Ltd, A. A. Bros International Furniture Company (Nig.), Peugeot Automobile Nigeria, Ltd, Nigerian National Petroleum Corporation (NNPC) Refinery, Nigerian Breweries Plc., Federal Superphosphate Fertilizer Co., Defence Industries Corporation of Nigeria, Kaduna Furniture and Carpet Company, National Oil and Chemical Co., Ltd, Aeronautical-Independent Engineering

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<sup>18</sup>List of industries, Kaduna StateMinistry of Industry and Commerce, 2014, p.5.

Project Management Co., Ltd (AIEP/Dornier), Arewa Pharmaceuticals, Northern Cable Processing and Manufacturing Co.,Ltd, Kaduna Textile, Ltd., Arewa Textile, Ltd, United Textile, Ltd, Supertex Nigeria, Ltd, West African Bitumen Emulsion, Kaduna Groups Processing Co., Ltd, Kaduna Crown Cork Manufacturing Co., Ltd, First Aluminium Nigeria, Ltd., Ideal Flour Mills, Ltd., National Dairies Product Co., Ltd, Northern Cable Processing and Manufacturing Co., Ltd, Arewa Bottlers, Ltd, etc.<sup>19</sup> These companies have played a significant role in the economic development of Kaduna. Though in the wake of 21<sup>st</sup> century suffered asset back due to some many factors which included corruption, shortages of energy, and the import of foreign goods and services.<sup>20</sup>

These industries – textiles, the petroleum refinery; and the automobile assembly plant – are located in the industrial layout of Makera, Tudun Wada, Kakuri, Nassrawa and Dirkaniya, all in the Kaduna metropolis. There are other small- and medium-scale industries too numerous to list here, but very important in providing equipment for rural dwellers' use (e.g. Panteka market construction of metal doors, windows and frames, boxes, grinding stones, huller machines, kitchen ware, ox-plough blades, planters shellers, etc. In Zaria there are other manufacturing industries such as tarpaulins, the Zaria Meter Company, and other light textile industries, including cotton yarn.

Apart from being the industrial and commercial centre of Northern Nigeria, the state a major centre of learning and financial institutions. The institutions located in various nooks and crenies of the state have contributed immensely in the training of technical personnel and professionals in the area, and middle cadre staff for the industries. They include: Ahmadu Bello University, the Zaria Federal College of Education, the Zaria College of Aviation Technology, the Nigerian Institute of Transport Technology (Zaria), the National Leather Research Institute of Technology (Zaria), the National Research Institute of Chemical Technology (Zaria), the Institute for Agricultural Research (Zaria), the Division of Agricultural Collges, the National Animal Production Research Institute, Nuhu Bamalli Polytechnic, Federal Polytechnic (Kaduna), Kaduna State University, Kaduna State College of Education (Gidan-way), the National Board

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<sup>19</sup>A.L.Bello, Kaduna State, in R.K. Udo-AB Mamman (ed.) *Nigeria Giant in Tropics*, Vol. II, State Surveys, 1993, p.205.

<sup>20</sup>I. James, *Kaduna The Challenge of Industrialization*, p.viii.

for Technical Education, the National Teachers Institute (NTI), the Nigerian Defence Academy, the West African Institute for Trypanosomiasis Research (Kaduna), the Federal College for Cooperative Studies (Kaduna), and other institutions too numerous to mention, which have all aided in the industrial development of Kaduna.<sup>21</sup>

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<sup>21</sup>Confidential interview with Prof, Abdulkadir Adamu held On 10 December, 2014, No.2 Madarkachi, Kwarbai Zaria City. He is a professor of Economic History in the Department of History, Ahmadu Bello University, Zaria, and currently Director of the Centre for Historical Research and Documentation, Ahmadu Bello University, Zaria, Arewa House, Kaduna.

## **CHAPTER ONE**

### **Aims, Objectives and Methodology of the Study**

#### **1.1 Statement of the Problem:**

There exists a plethora of literature on the history of industrial development in the Kaduna State of Nigeria, but most of the research conducted on the area leaves a wide gap which the present research intends to fill. The gaps that the present research hopes to fill include the contribution of industrial development and manufacturing and other industries in Kaduna State and Nigeria in general to the economy. It appears manufacturing industry in Nigeria is a classic illustration of how a nation could neglect a vital sector through policy inconsistencies and distractions which could be attributed to the discovery of oil in 1950s. The Nigerian oil industry is not a major source of employment, and its benefit to the sectors in the economy is limited since the government has not adequately developed the capacity to pursue the more value-added activities of the petrochemical value chain. As a result, the oil industry does not allow for any agglomeration of industrial development. However recent experiences of the South Africa, south East Asia, Malaysia, China and India economic transformations demonstrated that diversification in to manufacturing and industrial production facilitate industrial growth and reduction in poverty. However, Nigeria has no effective industrial policy that promotes manufacturing and other servicing industries; at least not in the sense of policy which provides practical solutions to the difficulties encountered by incipient entrepreneurs or emerging manufacturing firms. It is in the light of the foregoing that this study seeks to evaluate the role of industries to the economy of Nigeria, also the factors that contributed to the collapse of industries which the previous researches in the area have not adequately addressed.

These include the use of a scientific approach to the causes of the collapse of industries in Kaduna State. However, many Nigerians are being misled that importation of foreign goods and smuggling are prime factors for the deindustrialization of Kaduna. Corruption and shortages of electricity are the major factors for the decline and eventual collapse of industries. These and other factors will be documented by this research.

## **1.2 Aims and Objectives of the Study:**

The study aims at highlighting and examining the history of industrial development in the Kaduna State of Nigeria. It also aims at examining and analysing the nature of the industrial programme in Kaduna. The factors that aided in the establishment of industries in Nigeria in general and Kaduna State in particular will be explored. It is part of the aim of the study to provide an in-depth analysis, with the empirical evidence of the factors that led to the collapse of industries in Kaduna State and Nigeria in general.

Three basic interests have motivated the pursuit of this research. The first interest is the concern with the economic backwardness of Kaduna State in particular and Nigeria in general. I am interested in examining the root cause of the problem: whether it has to do with the industrialization strategy adopted, or to poor implementation of plans and policies, or the execution and management of the process. I am also interested in looking at the role of corruption and other infrastructural problems.

The second interest has to do with the near total neglect of issues of industrial development in Nigeria. There is paucity of sources on the issue and of documentation of the existing industrial concerns. The third interest is the plain fact that no such study has been done on Kaduna State, both in the distant past and recent times, in spite of its historical importance as an industrial, commercial, and financial centre. The present research sets out to achieve the following objectives:

- 1.2.1 To investigate the impact of manufacturing sector on the economic growth and development of Kaduna state and Nigeria in general
- 1.2.2 Examine the basis of industrial programme of the Kaduna State government.
- 1.2.3 Assess the level of productivity in the manufacturing sector
- 1.2.4 To find out the various policies measures available to the government that can be used to redress the persistent decline in the manufacturing industries
- 1.2.5 To identify the major constraints confronting the Nigerian manufacturing sector
- 1.2.6 To look at the factors that aided the establishment of industries in Kaduna State.
- 1.2.7 Make a conceptual analysis of the general industrial development in Nigeria.
- 1.2.8 Explore the industrial developmental planning in Kaduna State and Nigeria in general.

- 1.2.9 Examine the nature of the industrial programme in Nigeria.
- 1.2.10 Highlight the role/contribution of the Federal Government in the industrialization of Kaduna State.
- 1.2.11 Analyse the factors militating against continued industrial development in Kaduna State.
- 1.2.12 Identify the major impact of the decline, closure and collapse of industries in Kaduna State on the economy.
- 1.2.13 Indicate the major role of stakeholders in the industrial sectors of Kaduna State of Nigeria.
- 1.2.14 Analyse the strength and limitation of import substitution on the industrialization strategy.

### **1.3 Research Questions**

The study seeks to answer/examine the following questions:

- 1.3.1 To what extent has the Nigerian manufacturing industry contributed to the economic growth and development?
- 1.3.2 What policy or measures could be adopted to redress the persistent decline in the industrial production?
- 1.3.3 What are the constraints that are confronting the industries in Nigeria?
- 1.3.4 What has been the performance of the Nigerian manufacturing sectors?
- 1.3.5 What is the nature of the Nigerian industrialization programme?
- 1.3.6 What is the impact of economic planning in Nigeria's industrialization process?
- 1.3.7 How did the Federal Government influence industrialization in Kaduna State?
- 1.3.8 What Factors aided in the industrialization process of Kaduna State?
- 1.3.9 What factors contributed to the collapse of industries in Kaduna State?
- 1.3.10 How did the collapse of industries affect the economy of Kaduna State?
- 1.3.11 What is the direction of Nigeria's Industrialization revival process?
- 1.3.12 What role did the Nigerian power sector play in the collapse of industries in Kaduna State?
- 1.3.13 To what extent did corruption contribute to the collapse of Industries in Kaduna State?
- 1.3.14 What measures were taken by government to salvage the decaying state of Nigerian industries?

#### **1.4 The Scope and Limitation of the Study**

This research had ‘A History of Industrial Development in the Kaduna State of Nigeria, 1976-2010’ as its scope. The study had the year 1976 as its starting period, and terminates with the year 2010. The year 1976 was a watershed in the history of Kaduna State. It was a period in which the Federal Government made attempts at declaring some states in Nigeria as industrial centres. Kaduna State was one of these. The study concludes with the year 2010 when the closure of industries in Kaduna and in Nigeria in general reached its nadir of deterioration.

#### **1.5 Significance of the Study**

Although several studies have been conducted on the economic history of Nigeria or the Hhistory of industrial development in Nigeria, few studies have been conducted on the history of industrial development in the state of Kaduna. Above all, the field of Nigerian Eeconomic history is still relatively unexplored. This study is hoped to be a modest contribution to the continuing research in that area. The study of industrial development/ manufacturing industries on the economic developmentof Kaduna state and Nigeria in general is significant in the following:

- i. It will help to reveal the role of industrial activities in solving the basic problems, unemployment, inflation, budget deficit;
- ii. It will help to analyse the contribution of the manufacturing sector to the economy
- iii. It will equally assist to appraise the policies of the government that have been directed towards the improvement of local production;
- iv. It will expose the factors that contributed toward the collapse of industries;
- v. It will help in knowing the impact of the collapse industries on the economy
- vi. It will also expose the measure taken so far to address rampant collapsing industries.

It could be argued that this study will complement and reinforce the literature on industrial development in Kaduna State, and contribute to knowledge of the level of impact of collapsed industries on the socio-economic development of the state. This study will constitute a valuable historical resource for the benefit of the public at large, and for the interest of students, domestic

and international, of contemporary Nigerian history, and with a particular interest in the subject of industrial development in Kaduna State.

## 1.6 Literature Review

A research of this magnitude invariably requires the review of relevant literature, both primary and secondary source materials that deal directly or indirectly with the subject matter. These sources were noted to differ in strength and limitations. Some provided extensive information and formed the basis of the study.

The first important material considered for this research has been a book written by A. Abba, et al., entitled: *The Nigerian Economic Crisis: Causes and Solutions*.<sup>22</sup> This major work examines and analyses the eight crucial sectors of the Nigerian economy, namely: agriculture, industry, energy, transport, education, health, defence, and security. It also examines the role of the public service and the pattern of income distribution in relation to economic development in Nigeria.

The author, however, gives interesting insight into the problems militating against industrial development in Nigeria. These problems include corruption among government officials who have the responsibility of execution and implementation of various governmental policies, lack of adequate power/energy supply, insecurity, and lack of education and failure of government in the implementation of various development strategic plans since independence.

The limitation of the work is the scope of the study: it has used Nigeria as a whole while leaving a wide gap of issues unexamined. It is this gap that this present research has filled by explaining the historical processes and analysing the vital role of industries in the economic development of Kaduna State in particular and Nigeria in general.

The work of Professor Salihu Maiwada and Professor Elisha Renne on textile industry is considered as one of the literatures worth reviewing for the present study. The work titled “*The Kaduna Textile and the Decline of Textile Manufacturing in Northern Nigeria, 1955-2010*”<sup>23</sup>

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<sup>22</sup> A. Abba, et al. *The Nigerian Economic Crisis: Causes and Solutions*, pp. 1-350.

<sup>23</sup> S. Maiwada, R. P. Elisha *The Kaduna Textile and the Decline of Textile Manufacturing in Northern Nigeria, 1955-2010* in *Textile History*, Journal of the Pasold Research Fund Limited Vol. 44, No2, November, 2013, Pp171-196

examines the historical background of the establishment of textile industry in Northern Nigeria. They argue that the idea of establishing textile industries began in 1955 between the Northern Regional government and the British textiles firm (Whitehead and Sons) signed MOU, by 1957 first textile industry began production in the Kaduna the headquarters of defunct Northern Region of Nigeria. The opening of Kaduna textile limited (KTL) paved way for the establishment of other textiles industries in Kaduna and other parts of Nigeria such as Nortex textile limited, United Nigeria textile limited etc.

They argue that the establishment of first textile industry in Kaduna was influenced by many factors: firstly being Kaduna the headquarters of Northern Region and former capital of Northern protectorate, secondly being close and access to locally grown cotton and rail services, thirdly, combine efforts and interest of Northern Political leaders. It is also argued that the establishment and opening of textile industry in Northern Nigeria brought to an end of the British monopoly in the sector, prior to the establishment of textile industry in Nigeria there had been no large modern textile mills set up in Nigeria in which the British Colonial trading firms in Nigeria together with British trading agents in Nigeria bought and shipped the raw- materials for production in UK and brought back finished products for local consumptions.

The textiles industries in Kaduna began operations by producing unfinished baft, of type that had earlier been manufactured in Manchester for the Nigeria markets, as time goes on the activity of industry expanded more textiles industry were established, the industry flourished. By the end of the Nigerian civil war in 1970 the federal government revenue increased tremendously from petroleum resources sector which refers as 'oil boom.' This as a result led to the greater government expenditure on federal projects seen as part of national development as well as to increase spending on power and on the parts of Nigeria consumers, the value of Naira was suitable which made the purchase of foreign equipment for expanded production possible, the KTL expanded its operations to the production of bleached baft with construction of additional subsidiaries, as a result additional textiles industries were established particularly in early 1970 such as Arewa textile, Nortex and UNTL textiles.

They further argued that the based market economy reform introduced by Babagida's regime which started by commercialization of public owned enterprises and later to privatization of the public enterprises did not solve the problem of decline industries rather worsen the situation. According to the authors

“the market-based economic reforms introduced in 1986 certainly contributed to industry's demise. Known Nigeria as SAP, the structural Adjustment program formulated by the international monetary fund (IMF) and implemented by the Nigerian government, included currency devaluation and restrictions on federal spending in exchange for continuation of IMF loans. This programme, which was intended to promote local production, was inappropriate for situation of nascent industrialization in Nigeria, where neither updated shuttle-less looms nor sparts were manufactured locally’<sup>24</sup>

The work also gives us an interesting insight to the factor that paved way for the decline in the textile production in Kaduna particularly between 1986 and 2006, the acceptance of conditionality laid down by International Monetary fund through Babangi's Structural Ajustment Programme played a significant role in the declined and subsequent collapse of textile and other industries in Kaduna in particularly and Nigeria in general. Particularly between 1986 and 1987, the devaluation of the Nigerian currency-the Naira had contributed to the process for the decline for textile industry with the cost of imported spare parts for power station. They however, aurgued that politics, labour and managerial problems had contributed tremendously in the decline and subsequent collapse of textile industry in Kaduna, according to them lack of working equipment in part due to the inability of the top officials of the mills to be replaced had led to temporary stoppage of the mills, as result many mill's workers were sent on compulsory and temporary leave.

The violation of of international agreements and national textile import policies affected the textile performance in Nigeria, as the time that Nigerian textile industry began operation had been protected by the customs tariffs which instituted by British Colonial officials to prevent European and Japanese textile manufacturer from flooding the Nigerian market with their products as noted this policy had seriously aided the textile and other industries within Nigeria. But the banning of the protection tariffs uder Babamgida's regime paved way for the eventual collapse of textile industry in Nigeria.

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<sup>24</sup> Op cit Maiwada & Elisha P.172

The authors also give insight in to the textile policy, textile imports, and revival strategies 2007-2010. They emphasis that federal government of Nigeria should rescinded the 1977 textile import ban and implemented a new textile revival funds, even when the ban was in place the ban had been largely ineffective due the to Nigeria's porous borders and malleable customs official. The further argued that most of the textile sold in Kano' kantin kwari market and Lagos are from China and most the people importing are top politicians, indeed since early 2000s Chinese textiles have come to dominate the Nigerian textile market, it is arged that before the lifting of the textile import in 2010, Chinese made textiles were available in range of prices to Nigerian brokers who brought them to Nigeria for sale, but due to Nigerian brokers intention to accumulate wealth, the purchsed Chinese textiles that were lower priced than Nigerian textiles, these imports further undermined the Kaduna textile mills ability to operate at a profit. According to them closure of Kaduna textile industry in 2010 have affected cloth traders in Kaduna, Kano, Zaria and other parts of Nigeria.

The authors at the end give an interesting recommendations on the textile industry in Kaduna and Nigeria in be revived, the said 700 billion which announced by former President Obasanjo to have given to textle industry which later increased to 100,000 million be released for them. The electricity problem should be addressed, it may be recalled at the re-opening of the UNTL, the former vice president of Nigeria Mohammed Namadi Sambo disclosed the contract for a new power plant in Kaduna had been awarded to provide power for local industries; the project should be implemented immediately. The cotton production and ginneries should also be restored. Intially availability of cotton was of the prerequisite for the establishment of textile industry, which was the factor, influenced the establishment of textile industries in Kaduna.

The strength of the work could be best described as the ability of the authors to indentify the important of textile industry to the economy. Also provided update on the state of textile industry not only in Kaduna state but in Nigeria in general. Their discussion on based market economy revealed that the introduction of such reforms did not revive the industry in one hand; in the other hand shed more lights to the present researcher how devastated was the adoption of market based economy on the industrial development. The article also has provided historical origin as

regard to the establishment of first textile in Northern Nigeria. It also provided update information about textile industry not only in Kaduna state but in Nigeria in general. The failure to establish whether there is any country that encounters such problem and the devices adopted by the country to get out from problem in recent time or in distant past is considered as the limitations of the work. Also both authors are not historians; Maiwada is a professor of Industrial Design with the specialization of textile design while Elisha is professor of anthropology with specialization in sociological studies resulted in leaving wide gap in the research.

Another work in the line of reviewing is the work by the same authors Professor Salihu Maiwada and Professor Elisha Renne ‘*New Technologies of Embroidered Robe Production and Changing Gender Role in Zaria, Nigeria, 1950-2005*.<sup>25</sup> The article basically examines changing pattern of traditional embroidery robe industry from dominantly hand made to modern and expanded use of embroidery machines and new materials by men, new marketing practices. They argued that Zaria in Kaduna state Northern Nigeria is known for such industry since time immemorial, where by *Babban riga kaftan and shakwara da jamfa* are made. He further argued that because of their antiquity some are given as gifts to Europeans as early as seventeenth century. By 1970 industry had already transformed from hand made to machine made industry also from predominantly male to both sexes, in the same period the industry expanded, the marketing of machine-embroidered robes extended by opening shops for ready-made garments outside Zaria and other part of the country.

They further, analyzed that despite the changes that underwent the traditional embroidery continue to survive the changes. In 1900 the import of machine- woven grey baft and bleach white cotton textile from England provided alternative to hand-woven textiles made from hand-spun cotton and a way of reducing cost in robe production. However, despite the problem that other type of industry encountered the embroidery industry continue to survive. The industry continue to provide job to large segment of society, like other industries in the state

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<sup>25</sup> S. Maiwada, R.P Elisha ‘*New Technologies of Embroidered Robe Production and Changing Gender Role in Zaria, Nigeria, 1950-2005*, in *textile History, Journal of the PASOLD research fund limited* Vol. 38, No1, May, 2007, P255-58

the embroidery has facing changes ranging from lack of adequate electricity to increase in the cost of raw-materials.

The strength of the article was the ability of the writer to give the nature of changing pattern of the industry from male dominated to both sexes. The limitation is inability to provide or suggest possible way of protecting the industry from decline like must of the industry in the state.

*Sir Ahmadu Bello and Kaduna Textiles Limited: A Historical Exhibit.*<sup>26</sup> This is a pamphlet exhibition conducted at Arewa House, Kaduna between 9<sup>th</sup> November- 8<sup>th</sup> December 2012, sponsored by African studies center and the Department of Afroamerican and African studies, University of Michigan United States of America. The exhibition was presided over by Professor Elisha Renne supported by Musa Muhammed and Usman Suleiman, while Hajiya Rakiya Musa chaired the occasion.

On pages one and two the pictures of the Sir Ahmadu Bello the Sardauna of Sokoto and premier Northern Nigeria was shown during foundation laying ceremony of Kaduna textile industry:

‘this project is dear to our hearts, for here in this factory cotton grown in this Region is going to be spun and woven in to cloth which our people will wear. This is an excellent example of the utilisation of our raw materials and we are confident that this the forerunner of the other large industrial projects which will help to develop the resources of this vast Region in which we live’<sup>27</sup>

On the same page the Sir Ahmadu Bello is being shown inspecting automatic loom by an official of David Whitehead and son limited at Kaduna textile limited in 1957. The indicated the important and the role that cotton played in the establishment of Kaduna textile industry ‘Cotton farming was well established through the region. The BCGA ginnery was less than sixty miles away and Kaduna the seat of the Regional government. She shown the role played by Alhaji Aliyu, Turakin Zazzau, who was then the minister of trade and industry and later Director of Northern Regional Development Corporation in the establishment of Kaduna textile. He was actively involved in the negotiations at Rawtenstall as well.

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<sup>26</sup>Elisha Renne, *Sir Ahmadu Bello and Kaduna Textiles Limited: A Historical Exhibit* exhibition conducted at Arewa House, Kaduna between 9<sup>th</sup> November- 8<sup>th</sup> December 2012, sponsored by African studies center and the Department of Afroamerican and African studies, University of Michigan United States of America Pp1-10

<sup>27</sup> Ibid P. 1

On pages three and four of the exhibition had shown how cotton is being process such as harvesting, baling, cotton spinning, spinning cotton thread and preparation of warp beam for weaving (weaving process). She also indicated tha in the early 1980s an agreement was reached with Northern Nigerian mills cotton cloth manufactured at KTL mill. According to her this popular cotton prints were often commissioned by buyers, with swatches of finished cloth kept in record books. According to her this printed textile production continued until the plant closed in 2002.

On pages five and six she had an interview with some of the old/former workers who disclosed their sadness over the closure of Kaduna textile limited among them are Gordon W Hartley, former of Kaduna textile limited staff and manager of David Whitehead and sons limited. Also Shuaibu yusuf Deputy Manager-Spinning, Kaduna textile limited interviewed. While in page seven provide time line from 1955 to 1980s. Pages eight, nine, and ten give an intresting summary to the historical development of Kaduna textiles limited. She argues that in 1833, David Thomas and Whitehead build the whitehead Rawtenstall lower mill Lancashire, comprised building for sizing power loom weaving, and ware houses with hundred power looms, and gas works to supply these work. Over hundred years after its establishment the company realised important of locating the mills close to both raw material and customers by 1940 spotted areas with the availability of raw –materials and markets which were basically cotton and human resources, this industry was first established in Rhodesia, followed by Nigeria, then South Africa, Malawi, Mauritius, and Kenya.

Finally, she examines factors that contributed to closure of the Kaduna textile limited in 2002 after forty five years of its operation, among them were infrastructural and management problems, import policy changes, currency devaluation, obsolete equipment, and contraband textiles, inadequancy of power supply as well as lifting the ban on imported textile materials our borders became porous.

Though her work is merely on Kaduna textile limited but she gives an insight in to the factor that led to the decline and eventual collapse of not only textile industry but all the other industries among them are managerial problems, lifting of ban on the importation of textile matrials.

Strength of the work was the ability to provide in detail the historical development of Kaduna textile limited.

The fact that the pamphlet is on exhibition did not examine in detail some of the important issues involved in the discussion of the reason/factors that contributed on the closure of textile, which include corruption, lack of patronage locally produced goods. In view of that the present researcher intend to fill the missing gap.

Another important work reviewed is an article written by S. Onyeiwu titled: *“The Modern Textile Industry in Nigeria: History, Structural Change, and Recent Developments”*<sup>28</sup> He is Professor of Economics, Department of Economics Allegheny College, United States of America. His Doctoral Dissertation was on “Technological Capability, Absorptive Capacity, and the Development of the Nigerian Textile Industry Economics of Innovation and Technological Change. He has also writes intensively on Managerial Economics, Micro and Macroeconomics, Economics of Globalization, International Political Economy, African Economic Development, Development Economics. Other area of research interest includes: Innovation, Technological Change, and Entrepreneurship, Industrial Development in Developing Economies, Foreign Direct Investment and Globalization, Structural Adjustment and Economic Development and African Economic Development.

For the purpose of the current research his work on the *“The Modern Textile Industry in Nigeria: History, Structural Change, and Recent Developments”* He gives an interesting background in to the history of Nigerian textile; he argues that textile industry is the largest and oldest manufacturing sub-sector of accounting for 22 percent of employment. During the years of its prosperity the sector employed up 250,000 workers. He further gives the number of textile industry in Nigeria from 1957 to 1981 as 134 mills. By the early 1980s the industry had become important by world standards. He also gives an overview of the pre-colonial textile industry in Nigeria where showed that the the local production and consumption of textile in Nigeria predate the colonisation of the country by Brittain. He also indicated that the the production and

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<sup>28</sup>S. Onyeiwu “The Modern Textile Industry in Nigeria: History, Structural Change, and Recent Developments,” *Textile History*, Vol. 28, No.2, Autum 1997, pp.1-16.

consumption of textile had become so widespread that by the middle of 1900 Kano in Northern Nigeria was known as the Manchester of West-Africa.

In the sub-section titled the pioneering role of the Kaduna textile mill he argues that the textile industry established in Kaduna in 1950s mostly established as joint venture between British textile firm David Whitehead & Son, the Commonwealth Development Corporation and the Northern Nigeria Marketing Board. He however reveals that the establishment of textile industry in Kaduna was influenced by three factors: availability of electricity, water, and labour. The textile industry witnessed rapid growth and expansion in early 1970s in which Nigeria became largest producer of cotton cloth in West Africa, accounting for about half of the region's output.

He further argues that the 'market-based economic reforms' introduced in 1986 under Babangida's disguise policy known as SAP under the conditionality of International Monetary Fund contributed to the industrial decline. The implementation of the IMF under SAP by Nigerian government led to the currency devaluation, restrictions on federal spending in exchange for continuation of IMF loan. The programme was initially introduced and supposed to promote local production, but throughout the programme none of the machines were manufactured in Nigeria.

He further stressed that causes of the decline of textile industry are complex, which include global economy and political factors, technological changes in the textile industry, neoliberal reforms and changing trade agreements, uneasy labour-management relations, obsolete equipment, inadequate infrastructure for providing electricity and water, reduced cotton production and increased textile import materials. According to him as at time of establishment of textile mill in 1957, the mill's management and workers successfully produced increasing quality of baft cotton cloth which attracted agents from major textile firms operating in Nigeria and to Nigerian customers. He further argued that by 1957 the production from mill reached 8 million meters.

The article has provided detail insight into the role of 'based market economic reforms towards the decline of production in the textile industry up to 1997, though at the time Oyeiwu was writing, there were functioning textile industries in Kaduna and other parts of Nigeria, by 2002 barely five years Kaduna textiles and Arewa textile had closed. The present research intends to fill in the missing gap in regards to collapse of the textile industry up to 2010.

Another important document reviewed for this research is the work of E. B. Udah, *Industrial development, electricity crisis, and economic performance in Nigeria*.<sup>29</sup> He examines the relationship between electricity supply, industrialization and economic development in Nigeria from 1970-2008. According to him, for Nigeria to grow, develop and achieve industrial development/stability, problems of electricity supply must be fixed. He cites examples of those have either become industrialized or are working toward industrialization, and that had to address the problem of electricity supply. These countries include China, India and Malaysia.

He also gives an interesting overview of industrial development in Nigeria since the 1970s. According to him, from 1972 to 2010 successive administrations in Nigeria introduced policies and measures aimed at industrializing Nigeria; but despite all the measures taken by government, Nigeria did not industrialize. These policies included the indigenization policy, a structural adjustment programme, a trade and financial liberalization policy, the national economic reconstruction fund (NERFUND), and the establishment of a banking industry (BoI) comprising the Nigerian Industrial Development Bank (NIBD), the Nigerian Bank for Commerce and Industry (NBCI), the Industrial and Insurance Brokers (IDIB), the Leasing Company of Nigeria Ltd (LECON), the Small and Medium Industries Equity Investment (SMIEIS), and the National Integrated Industrial Development (NIID). Udah also provides useful insight into the role of multinational companies in the industrial development of Nigeria. He argues that despite the enthusiasm, readiness, and interest shown by these multinational and international companies, government failed to provide a conducive atmosphere for running businesses, which later led to the collapse of so many industries in Nigeria.

The limitation of the article is that he examines the industrial development in Nigeria within the world context, which made it hard for him to give a clear and precise indication of the level of industrial development in Nigeria, or the lack of it. However, some of the theories and methodology applied in the research are outdated, so its findings may not be 100% accurate

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<sup>29</sup>E.B Udah, *Industrial Development, Electricity Crisis, and Economic Performance in Nigeria*, in *European Journal of Economics, Finance and Administrative Science*, pp. 106-120.

Another work reviewed is the work titled “Nigerian Manufacturing since 1945: The Strategy, the Performance and the Crisis”, by A. Sanusi”.<sup>30</sup> He argues that by 1945 industrial production in Nigeria was Ltd to a number of indigenous industries, except for some owned by the cotton-growing association established in 1907 and around 1924, and the Nigerian tobacco company set up in 1933.

Sanusi argues that the colonial government deliberately discouraged the setting up of industries in Nigeria. In order not to create potential competitors, and even when the companies were British, the semi-processing locally would offset capacity utilization and employment in Britain. Sanusi says that even the palm kernel crushing mills started around 1910 at Apapa and Opobo had to be abandoned because of the excessive export duty imposed on the semi-processed product which made the continued export of raw kernels more profitable. Sanusi also examines how some of the industries that were started had to be stopped later because of pressure from the Colonial Office. Such companies included the garment company near Os and a spinning mill in one of the cotton-growing areas in the North in the 1930s.

On the other hand, despite the discouragement and unpaid attention to indigenous industries by the colonial authorities, there were several indigenous village-level industries producing textiles, leather, metallic, ceramic and other products meeting the needs of the people, and providing employment and incomes to the population, in addition to the main occupations, such as fishing and livestock rearing. Sanusi finally gives an interesting insight into the attempt made by the colonial state in 1946 to increase the number of semi-processing companies. According to him, in the post-war period there was an increasing demand for Nigerian export products.

The semi-processing for export became both necessary and more profitable, even to the colonial government. Production capacity was overloaded all over Europe, mostly towards meeting the demands of the post-war era. Essential commodities became scarce, encouraging the setting-up of processing plants for exports and for internal requirements. In a nutshell, it was only after the war that the Colonial Office considered it necessary to come out with a sort of “plan” named “A ten-year plan of development and welfare for Nigeria”. The main preoccupation of the plan was

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<sup>30</sup>A. Sanusi, “Nigerian Manufacturing since 1945: The Strategy, the Performance and the Crisis”, (ed.) in seminar on *Nigeria Economy and Society since the Berlin Conference Volume II*, Department of History, Ahmadu Bello University, Zaria, 23-65.

to provide the ports, railway lines, roads and other infrastructure for greater extraction/exploitation of agricultural and mineral resources using Nigeria's cheap labour for the reconstruction of post-war Britain.

Though Sanusi's work provides an important background to the history of micro- industrial development in Nigeria, it still leaves a wide gap which the present research is intended to fill. It includes the nature, structure, and operation of colonial industries in Nigeria. NigeriaThe current study focuses on the history of industrialization in Nigeria with special emphasis on KaKaduna State.

The paper written by W. B. Adeoye, "Industrial Development in Nigeria in the Context of Globalization"<sup>31</sup> is worth reviewing in this study. The author examines an attempt made by Nigeria to become an industrialized country in the international context. He argues that despite some legacies left behind by the colonialists in the industrial sector of Nigeria, there were still no significant changes recorded in the period 1960-1970. According to Adeoye, despite the favourable climate for industrialization in the 1970s, only the manufacturing sector of the economy was able to produce consumer goods.

Adeoye, however, attributed these to the nonchalant attitude the government had towards agricultural and manufactured products, and it diverted its attention to mineral resources, particularly the oil sector, which destroyed the enthusiasm for industries.

The paper provides insight to the nature and operation of Nigeria in the international community, vital information for the present study.

The work of B. A Hakeem, "Security, Politics, and Economy of the North",<sup>32</sup> gives interesting insight into unfolding events, particularly the insecurity in North-East Nigeria and other parts of the North which include Kaduna. He argues that after the return of democratic government in Nigeria in 1999 on the platform of the ANPP and PDP, there was an attempt to capture power in

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<sup>31</sup>W.B Adeoye, "Industrial Development in Nigeria in the Context of Globalization".Paper presented at the 45<sup>th</sup> Annual Conference of the Nigerian Economic Society (NES), Abuja, 24-26 August, 2004, 1-16.

<sup>32</sup>. Hakeem Baba-Ahmed, Security, Politics and Economy of the North,a Conference on *the North and strategies for sustainable Development*, Arewa House 6<sup>th</sup> December 2012, Pp1-22

all six geopolitical zones, i.e. North-West, North-East, North-Central, South-West, South-East, and South-South. Therefore youths from various religious sects, ethnic affiliations and clerical as well as traditional authorities were mobilized by the parties in order to take support from each other, which made for intense competition in the country. This situation later gave birth to the *Jama'atu Ahlil Sunnah lidda'awatiwal jihad* (JASLIWAS), which embarked upon spectacular campaigns against the Nigerian state, and a systematic campaign of intimidation against the local population. Hakeem also attributes the emergence of this group to the failure of the three tiers of government (local, state and Federal Government) to provide employment opportunities for the teeming number of youths. The North lacks infrastructure and functional industries, but according to Hakeem, 62% of the North's population of roughly 86m are under 18, and in the next ten years the north will have a population of 100m, with 70% under the age of 18. He argues that looking at the nature of the security crisis, and where it began (Borno and Yobe States), although there is no direct evidence that the state is involved in activities which further the goals of the JASLIWAS, there is strong and widespread suspicion that interests with the capabilities of Boko Haram and with goals which include prolonging the conflict and weakening the social structures of particularly northern communities are also active in this conflict. Hakeem says that the crisis has had devastating effects on the economy of the North. Most state governments in the North claim to be spending huge amounts on security, and with little left after massive state expenditure on salaries, overheads and paying off political cronies, there is hardly any state in the North which invests real money in infrastructure or human capital. Hakeem observes that

‘at the rate at which the conflict is developing, it may take the North the next ten years to recover and enjoy the type of stability and climate which should attract investment from crucial local investors, mostly distributors of finished goods and buyers of agricultural produce. Shopkeepers and artisans may have been relocated from the North. He argues that research has shown that less than 10% of the monthly allocation of all the northern states is spent on new infrastructure, and improving the quality of human capital. The restrictions imposed on the economy by curfews banning motorcycle riders, closed markets and attacks on business have also severely damaged the economy<sup>33</sup>’.

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<sup>33</sup>Op cit Hakeem Baba-Ahmed, Security, Politics and Economy of the North, a Conference on *the North and strategies for sustainable Development*, Arewa House 6<sup>th</sup> December 2012, Pp1-22

The paper examines amongst important issues affecting the economic development of the North. These issues include insecurity, lack of good leadership and corruption. The also provides information that will be useful in the present research.

The work of A. Jide, *Industrial Development in Nigeria: A Case Study of Agricultural Business*,<sup>34</sup> started with the definition of industry. According to him industry may be defined in three broad ways: the primary or extractive industry, the secondary or manufacturing industry, and the tertiary or services industry. He argues that for Nigeria to be an industrialized country some measures have to be taken. These include the stoppage of indiscriminate and wanton exportation of materials with no value addition; the destructive and borderline criminality must be addressed by a comprehensive government policy.

Jide further stresses the importance of industries in the economic growth of Nigeria. In his view, industries, particularly manufacturing industries, are prime movers of economic development: they create employment, enable wealth creation, and diminish poverty. He highlights the problems of industrialization in Nigeria which entail the government's regulatory and fiscal policy. He also describes this as a major impediment to industrialization and economic growth in Nigeria.

There are over 20 government ministries, agencies, and parastatals at federal, state, and local government levels that industry has constantly to contend with. Several examples of such agencies are given, which include: The federal revenue services, federal corporate taxes, personal income tax, value-added tax, the State Board of Internal Revenue, local government charges, custom and exercise tax, tariffs and levies, local government revenue collectors, Ministry of Agriculture produce tax collection departments, taxes or levies by produce inspectors. Another problem for industry to which the driver draws attention is Nigeria's low electricity generation. Jide concludes by giving prime examples of countries that have achieved industrial development. One such is China: according to Jide, the Republic of China's prime concern is with industrial development rather than what it can receive in revenue. The limitation

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<sup>34</sup>A. Jide, "Industrial Development in Nigeria: A Case Study of Agricultural Business". A paper presented at the Government College, Ibadan, Old Boys' Association, Lagos Branch, 17 June, 2012, 1-9.

of Jide's paper is that does not identify and recommend a possible solution to the problems of industrial development in Nigeria.

The work of J. Ibrahim, "Kaduna State: The Challenge of Industrialization",<sup>35</sup> examines the emergence of Kaduna as an industrial hub of Nigeria. He argues that the strategic location of Kaduna State in Nigeria, and its having been the former headquarters of Northern Nigeria, attracted people from all over the country. Initially a good number of industries were established by government and flourished, providing employment opportunities to many university and polytechnic graduates. Ibrahim gives an interesting insight into the policies introduced by government after independence, particularly in the early 1980s that seriously affected the survival of industries. The policies included a structural adjustment programme, increased taxes on industrial owners, and the issuance of new licences to private individuals to import industrial products. He argues that problems of corruption, and a decline in electricity generation, distribution and transmission led to the destruction and eventual collapse of almost all the industries in Kaduna State.

Ibrahim describes the impact of the collapse of industries in Kaduna State on the economy and the society. Many people lost their jobs, and the ethno-religious and political crises that developed in Kaduna may not be unconnected to the collapse of industries in the state.

B. Deborah's article, "Substituting for the State Institution and Industrial Development in Eastern Nigeria",<sup>36</sup> examines the recent dynamic industrialization experience in one town, Nnewi, in eastern Nigerian. She argues that since 1980s, global recession, regional-economic crisis and the widespread imposition of austerity policies have made the environment for industrial development in most of sub-Saharan Africa, including Nigeria, quite bleak. Nigeria

Deborah gives an interesting insight into manufacturing output in Nigeria. She says that from 1980 to 1987 manufacturing output fall in Nigeria by an average of 4.4% per year; but from 1983 to 1994 medium-sized to large factories and engineering shops went into production, creating more than 2,7000 new jobs. It was a rapid, sustained development of indigenous

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<sup>35</sup> J. Ibrahim, *Kaduna State: The Challenge of Industrialization*, pp.1-250.

<sup>36</sup>B. Deborah, "Substituting for the State Institution and Industrial Development in Eastern Nigeria", *The World Development*, 25 (7), 1997:pp. 1063-1080.

industries employing people in the region outside the main industrial centres of Lagos, Kano, and Kaduna. But by 1992 most of the industries had begun to decline drastically, which led to the closure of many of them in Kaduna State and other parts of Nigeria. Nigeria

The paper presented by the Executive Governor of Niger State, Mu'azu Babangida Aliyu, entitled "De-industrialization of Northern Nigeria: Which Way Out?",<sup>37</sup> focuses on the major problem militating against industrial development in Northern Nigeria. He recalls the days immediately after the attainment of independence, when the North owned its industries and financial institutions. The latter included the Bank of the North, the Northern Nigeria Development Company (NNDC), and others. Aliyu argues that the reason for the collapse of industry in Northern Nigeria can be dated as far back as 1980.

The collapse of the oil boom in the early 1980s revealed the inherent weakness of the industrialization strategy. The inability to sustain the importation of inputs resulted in large excess capacity, thereby crippling some large industrial enterprises. This development, together with the government's budgetary constraints arising from the sharp drop in oil earnings, generated a policy shift away from direct government industrial investment to a strategy of private sector-led industrialization based on the promotion of small- and medium-scale enterprises.

Aliyu ends his paper by recommending a way out from Nigeria's industrial woes. Among other things, an adequate supply of electricity should be the main priority of government. The government needs sincerity of purpose - it should be honest and straightforward about its policies and their implementation.

The article by A. N. Ndem, "A Dynamic Analysis of Education and Economic Growth in Nigeria",<sup>38</sup> focuses on the role of education in the attainment of production in industrial sectors of Nigeria. He argues that it is widely accepted that education is the backbone of socio-economic development anywhere in the world. It is a country's high level of education that raises its

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<sup>38</sup>A.N Ndem, "A Dynamic Analysis of Education and Economic Growth in Nigeria", *Journal of Developing Areas*, 41 (1), Fall, 2007, pp. 1-16.

standard of living. Nigeria has invested a lot of resources in educational development but Nigeria is still lagging behind. He looks back to the 1950s when Nigeria was under British rule, and the government was trying to conclude their laying of foundation for Nigeria education. Soon after the attainment of independence, the educational standard began to fall drastically, and by the 1990s Nigerian education was undergoing a severe decline in all its aspects, such as teaching, learning, infrastructural facilities and staff welfare, after decades of neglect.

Ndemi shows how the Nigerian civil war of 1966-1970 affected the country's educational development. Nigeria The war seriously crippled education: many schools were destroyed, many teachers were killed, and others displayed. At the end of the war the successive military regimes under General Yakubu Gowon came up with new educational strategies aimed at edraising standards. They came into being after the organization of a national conference on curriculum development which was held in Lagos in 1969 under the sponsorship of the Nigerian Educational Research Council. The conference recommended a new mission, vision, and philosophy of education in Nigeria as sum up below:

- The inclusion of the right type of values and attitudes for the survival of the individual and society.
- The training of the mind in building valuable concepts, generalizations, and understanding of the world around us.
- The acquisition of appropriate skills, abilities, and competence, both mental and physical, as equipment for the individual to live in his society.
- The acquisition of relevant and balanced knowledge of facts and world phenomena.

Ndemi concludes the paper by attributing the backwardness of industrial development in Nigeria to the poor educational background of labourers working in various industries, which has led to products of poor quality, and eventually to the collapse of industries. His recommendation is that government should try and educate its citizens for better economic development.

Some of the limitation of the paper is the writer's failure to bring out the many factors militating against industrial development in Nigeria, such as corruption, frequent power failure, insecurity, and lack of serious commitment to good governance on the part of both state and Federal Governments.

The next paper reviewed by the present researcher is an article written by C. U. K Timothy with title “Determining the Impact of Nigerian Economic Crises on the Multinational Oil Companies: A Goal Programming Approach”.<sup>39</sup> Nigeria He gives an interesting insight into the history of the Nigerian oil industry. According to the research, Nigerian oil was founded in 1950s, but did not come to play a prominent role in the economic life of the people until around 1970s. He argues that the revenue generated from oil in the 1970s was enough to provide basic infrastructure for an industrial take-off and development of other sectors of the economy, but a nonchalant attitude, lack of foresight and many other factors contributed toward the failure of Nigeria to use the resources obtainable from its oil industries to develop the non-oil sectors of the economy, especially the agro-based industries. Overdependence on oil compelled many people to abandon their businesses and join the oil industry simply to make easy money. The overdependence on crude oil exports became apparent in the 1980s, and contributed immensely to the collapse of many industries, coupled with various other economic crises which later compelled the government under Ibrahim Badamasi Babangida to introduce a structural adjustments programme (SAP) which crippled the economy.

The writer concludes by suggesting possible ways out of the problem of industrial decay in Nigeria. These include reducing overreliance on oil by developing other sectors of the economy, particularly industries.

An article by O. Adeyinka<sup>40</sup> examines the role of management and workers in the effective control of an organization. According to the writer, participation is a process in which the individual worker has some influence on the things that affect him in his work environment<sup>41</sup>. He argues that the manner in which a manager defines the goal of an organization’s task allocation in most cases affects the successful running of industrial affairs. He gives an interesting insight into how some developed countries ensure equal participation in decision making and

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<sup>39</sup>C.U.K Timothy, “Determining the Impact of Nigerian Economic Crises on the Multinational Oil Companies: A Goal Programming Approach”, in *Journal of Operational Research Society*, 45 (2), Feb. 1994:pp. 165-177.

<sup>40</sup>O. Adeyinka Participative Management in Nigeria: problems and prospects in *Indian Journal of Industrial Relations*, Vol. 14, No.1 (July 1978), pp.1-17.

<sup>41</sup>*Ibid.*, 1

distribution of roles among workers in various industries. Prime examples included Britain, Scandinavia, France, and Germany.

The research revealed that in European models government legislation specifies that certain organizations must have worker representatives in their policy-making bodies, and spells out precisely how decision making is to be shared.<sup>42</sup> Nigerian labour management is nearest to British practice. That is understandable since Nigeria was a British colony; and yet Nigerian labour relations remained static while the British system developed, a situation that has led to a joint consultation model that brings workers' representative and management together, the former to have their say and the latter their way on a wide range of issues. Another factor that makes industrial relations in developed countries unique is their ability to examine and evaluate the extent to which a worker can withstand particular challenges. Another problem that preoccupied Nigerian industrial relations was the policy of industrial self-government "whereby it encourages employment and workers to try to set the question of wages and conditions of employment by collective bargaining and only intervenes in the last resort or in the public interest, as impartial conciliator or arbiter",<sup>43</sup> Finally, Adeyinka offers suggestions on how industrial problems can be overcome. They include the integration of various departments/units such as technical, administrative and production units to work hand in hand with one another.

The next literature reviewed is the work of Jon Kraus.<sup>44</sup> He examines the impact of five key factors that have influenced business associations in Ghana and Nigeria since their independence. These include the levels of influence of capitalist development and hence the size of the capitalist class; the strength and autonomy of the capitalist class; the strength of capitalist ideology; democratic vs authoritarian rule; and the impact of external hegemonic power and ideologies.

He has interesting insight into the era of neoliberal policies and strategies. It has involved a concerted move by international financial institutions (IFI): international aid donor countries

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<sup>42</sup> Adeyinka Op cit., p.3

<sup>43</sup> Ibid p. 3.

<sup>44</sup> J. Kraus, "Capital, Power and Business Association in the African Political Economy: A Tale of Two Countries, Ghana and Nigeria", *Journal of Modern African Studies*, 40 (3) (Sept. 2002): pp. 395-436.

have made the private sector of the economy the growth engine of the African economy. One of the prime examples cited by the writer is Nigeria. In Nigeria, he says, during the mid-1990s, many business associations' interests were centred on foreign investment; and indeed, Ghana under President Jerry Rawlings, which returned to democratic rule in 1993, has shown little or no interest in increasing investment by local capital. Another issue analysed by the paper is the question of how the business associations in Nigeria and Ghana have influenced the political economy and decision making. This relates to the nature of the business environment and people who are involved in it. The presence of international aid donors in the 1980s and 1990s – the IMF, the World Bank, and other Western donors – has contributed tremendously to reversing an era of economic nationalism and statism. These bodies have deliberately tried to create a new environment of economic liberalisation, and increase space for the private sector.

Finally, the author cites examples of the Nigerian and Ghanaian business associations mentioned above. They include the Nigerian Association of Chambers of Commerce, Industry, Manufacturing and Agriculture (NACCIMA), and the Manufacturing Association of Nigeria (MAN); in Ghana they include the Ghana Chamber of Commerce (GNCC), the Association of Ghanaian Industries (AGI), and the Ghana Chamber of Mines (GCM).

The article by V. O. Uwaifo and P. S. O Uddin, “Technology and Development in Nigeria: The Missing Link”,<sup>45</sup> examines major factors for industrial development in Nigeria. These include technology and education. They are also illuminating on what industrial development is all about.

The authors argue that many countries in the world that had tasted the bitterness of colonial domination have developed over the years after their independence. But Nigerians, after nearly five and a half decades of independence, still depend largely on foreign nations for their various technological and industrial needs. A country can be counted among the most backward when it cannot produce capital goods such as tractors lathes, drilling machines, cars, trains, and various earth-moving equipment, Nigeria cannot be recognized as, technologically advanced and

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<sup>45</sup> V.O. Uwaifo and P.S.O. Uddin, “Technology and Development in Nigeria: The Missing Link”, (2009):pp. 107-111.

industrially developed when it is unable to exploit its natural resources except with involvement of foreigners and their expertise. Other deficiencies that always indicate that a country is not industrially developed include its inability to produce the spare parts used in industrial machinery, the exporting of raw materials, and the importating of finished products.

The paper also traces the historical background of technological and industrial development in Nigeria. According to the authors, the idea of technological and industrial development was conceived immediately after the political independence of Nigeria in 1960. The primary/overall objective of the programme was Nigeriato reduce Nigeria's over reliance on its former colonial master and other so-called developed countries. Had this been done, Nigeria would have become a developed country industrially and technologically. Up to the end of the Nigerian civil war in 1970, policymakers and policy implementers had believed that Nigeria had all the resources needed for industrial take-off, including people, land, and natural resources. It was in their plans to encourage foreign investors, and systematically and gradually withdraw from over- reliance on foreign countries, particularly Britain its former colonial master. For example, during the regimes of General Yakubu Gowon and General Murtala Mohammed, two separate decrees were enacted which forced the foreign firms operating in Nigeria to sell a sizeable portion of their ownership stock to Nigerians. Another golden opportunity that Nigeria got but abused was the advent of an oil boom owing to the Arab/Israeli war in 1973, which resulted in the Arab oil embargo on the West. This action led to a tremendous increase in the oil price, and subsequently an increase in revenue for the Nigerian government.

The article shrows light on the causes of Nigeria's technological and industrial backwardness. These include the following: Before the advent of the colonialists sizeable numbers of various Nigerian communities had participated fully in practical industrial activities such as the production of farm implement and hides, skin-tanning and many other technologies which were distorted and later destroyed. Colonial education also contributed immensely to the gradual decline in industrial development in Nigeria. The idea aof colonial education before eve and just after independence was to train clerks and interpreters. Another stumbling block to industrial development in Nigeria was the industrial policies after independence, which were not favourable to the economy. For example, the main thrust of the import substitution policy was

the construction of assembly plants in Nigeria and the importation of spare parts rather than the construction of industries that manufactured by using local raw-materials.

The article concludes by suggesting ways out. Among them are the provisions of infrastructural facilities in our schools, the adequate financing of research institutions, an adequate power supply, and above all, good leadership. The strength of the paper is its ability to provide useful information that can be used to enrich the present research. One thing that can be regarded as a limitation in the research is that of the solution suggested by the writer that government should engage in industrial espionage, for which certain military groups would be trained to work as spies. I do not believe that Nigeria needs such an expedient before it becomes an industrialized country.

The researcher has reviewed C. C. Agu's article, "Rural Banking: A Strategy for Rural Development in Nigeria".<sup>46</sup> It examines the role of rural banking as a strategy for developing rural areas. He argues that no country in the world could have achieved self-reliance and economic independence without developing rural dwellers. The rural economy constitutes a greater percentage of Nigeria's economy. According to his research, over 70% of Nigerians are rural dwellers, so it is important to use designated rural financial institutions in order to mobilize savings, and encourage rural development. Nigeria

Agu also defines the concepts of "rural banks and rural development and its nature". Understanding rural development involves

a process of orderly and systematic approach to solving the problems of rural sectors. These include, in the main, the modernization and mechanization of agriculture, the provision of adequate health facilities, the provision of collective needs such as good transportation network, portable drinking water, electricity, schools and other educational facilities, the transmission of ideas and other communications system<sup>47</sup>.

He concludes the paper by highlighting the importance of the rural economy in the economic development of Nigeria.

Benjamin's work, *Urbanisation and Industrialization in Nigeria: A Case Study of Kaduna, 1957-1980*,<sup>48</sup> examines three important sectors: first, Kaduna, capital of the now defunct Northern

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<sup>46</sup>C.C. Agu, "Rural Banking: A Strategy for Rural Development in Nigeria", *Savings and Development Journal*, 7 (1) (1983): pp. 45-62.

<sup>47</sup> Ibid

Region; second, Kaduna as a centre for military barracks; and third, Kaduna as an industrial town. The paper examines patterns of settlement such as residential areas, barracks, administrative offices, schools, hospitals, and other location of social amenities. In a nutshell, the thesis is a study of urbanization.

In his paper presented in 2011, I. U. Ukwu<sup>49</sup> examines the level of development in other parts of the world, especially within the span of fifteen years in which Nigeria and other sub-Saharan African countries were lagging behind. He argues that Nigeria has all the potentiality for industrialization, and stresses the need of government to provide a supportive environment that will allow the industries to grow. The paper argues that industrial development provides employment opportunities, increases wealth, amongst other things. During the last fifteen years the economy of many countries has improved, but in Nigeria economic dependence, especially in technology, on the Western world has contributed immensely toward the backwardness of industries in Nigeria. In the three and a half decades, 1970-2007, South Korea, China, India, and Indonesia made tremendous progress in industrial development while Nigeria suffered severe decline.

As argued in the previous paper reviewed, from the 1950s to 1970 agriculture was the mainstay of the economy. Therefore most of the industries established then were based on raw materials that were derived from agricultural products. Another factor that contributed immensely to the backwardness in industrial development in Nigeria was colonialism, it may be recalled that throughout the colonial period British colonial policy on industrialization was geared toward promoting export crops and mineral production to feed the factories in Britain and discourage local crafts and manufactures.

Ukwu points out that of the four national development plans in Nigeria, only the one of 1972 made an attempt to revive the industrial sector of Nigeria. The 1972 plan entailed the issuing of

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<sup>48</sup>O. Benjamin, *Urbanisation and Industrialization in Nigeria: A Case Study of Kaduna, 1957-1980* Master's thesis, Department of History, Ahmadu Bello University, Zaria (2014).

<sup>49</sup>I.U Ukwu, "A Strategic Plan for iIndustrialization of South-East Nigeria". Paper presented at the South-East economic summit organized by the South East Economic summit group, Enugu (September 1-2, 2011).

a decree that reserved certain categories of commercial and industrial enterprises to exclusive indigenous ownership. This created a new class of Nigerian industrialists.

J. U. Eno's essay, "Government Policies, Politics, and Industrial Development Strategy in Nigeria, 1947-1974"<sup>50</sup> gives an interesting overview of the various industrial policies adopted by the Nigerian government in order to achieve its goal. The paper begins by defining industries and the features of industrialized countries. According to the author, the current industrial development challenges that many developing countries are facing may not be unconnected with plans of so-called industrialized countries. For example, in 1964 an international conference on industries was held in Cambridge, England, but there was no any provision for developing countries. He traces the historical background of industrial development policies in Nigeria, which says Nigeria started initiating industrial policy in 1947. It was the period when colonialism was ending in Nigeria, and the indigenous people Nigeriawere encouraged to have shares and ownership of the companies/industries predominantly owned by foreigners, particularly colonialists.

However, between 1947 and 1962 government embarked on campaigns for the establishment of industries, and new boards were established in order to facilitate and hasten the process. NigeriaFor example, the Institute of Industrial Research was established in Lagos, as were the Lagos industrial estate and an industrial loan board, all with the aim of giving all necessary support for industrial development. Nigeria Four additional policies, in the form of ordinances, were introduced within the period 1947to 1962. They were the Aid to Pioneer Industries Ordinance (1952), the Industrial Development (Import Duties Relief) Ordinance (1957), the Income Tax (Amendment) Ordinance, and the Industrial Development (Income Tax Relief) Ordinance (1958).

These industrial development policies contributed greatly toward the take-off of industries in Nigeria, particularly industries owned by Nigerians. However, it should be noted that with all the effort and zeal exerted by government to acheive successful industrial development in Nigeria, some of the policies adopted were found to have some weaknesses which compelled government

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<sup>50</sup>J.U. Eno."GovernmentPolicies, Politics and Industrial Development Strategy in Nigeria, 1947-1974", in*Industrial Development in Nigeria:Pattern Problems and Prospects*, pp. 64-73.

to strengthen them during the second industrial strategy plan. The industrial development policy coincided with Nigeria's second national development plan (1970-1974). This second phase, like the first, encouraged indigenous people to invest in the industrial sector of Nigeria. One of the policies that aided industrial development during the period was the introduction of import substitution, which encouraged massive indigenous participation in the process. On the whole, the essay attempts to account for various strategic development policies adopted by the federal and regional governments in Nigeria.

Ademola's work on the strategy of industrial development<sup>51</sup> gives an interesting insight into the various policies adopted by the Federal Government of Nigeria in an attempt to industrialize Nigeria the country. He says that the first step toward enhancing industrial development must be to encourage the use of the raw material available in the country. This will lead to an increase in income and employment opportunities. It will also pave the way for the establishment of manufacturing industries. The second stage to industrial development is the domestic production of manufactured goods for the domestic market (i.e. replacement of import of manufactured goods by domestic production). He concludes that by adopting these stages Nigeria will be industrialized. They will encourage the establishment of small-scale industries in the country.

P. C. Asiodu's essay, "Industrial Policy and Incentives in Nigeria",<sup>52</sup> gives an overview of various industrial development policies adopted or introduced by the Federal Government of Nigeria from 1947 to 1977. He emphasizes that for Nigeria to be industrialized all the raw material available must be used. In 1957 government gave serious attention to industrial development and a number of policies and strategies were introduced aimed at developing the sector. This was one of the reasons N14, 000.00 and about 3% of the year's budget was allocated to industrial development. However, he points out that even during the second national development plan Nigeria a greater percentage was allocated for industrial development.

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<sup>51</sup>T.O Ademola, "The Strategy of Industrial Development", in *Industrial Development in Nigeria: Pattern, Problems and Prospects*, pp.211-223.

<sup>52</sup>P.C Asiodu, "Industrial Policy and Incentives in Nigeria", in *Industrial Development in Nigeria: Patterns, Problems and Prospects*, pp.224-232.

He also analyses various incentives the Federal Government Nigeria introduced with the objective of developing the sector. These included:

- (a) Industrial incentives.
- (b) Industrial promotion activities: canvassing of investment possibilities among Indigenous as well as foreign investors,
- (c) The provision of funds for participation directly in industries or indirectly through Development cooperation and guaranteeing external loans for new industrial projects
- (d) Sundry assistance to industries, including the creation of industrial estates with power, water and other essential amenities, assistance to management in small and medium-scale industries, liaison with appropriate government agencies responsible for essential services, e.g. electricity, water, etc.<sup>53</sup>

Asiodu states that after the new incentives and policies were adopted over 63 industries were established across the country; including textiles, oil seeds, and tin melting, cement manufacture, paints, footwear, rubber goods, and biscuit producing firms. He concludes by examining the responses of the industrialists, some of whom abused the chance given to them. Nigeria. The present researcher intends to fill the gap left by the paper.

The next paper reviewed is Asiodu's essay "planning for Further Industrial Development in Nigeria".<sup>54</sup> He argues that the previous policies and strategies adopted by both state and Federal Governments, despite their limitations, have contributed immensely towards the industrialization of Nigeria. According to him the import substitution strategy had played a significant role in the establishment and development of textile and soft drink industries.

Asiodu argues that locally produced goods have competed with foreign goods, despite the expense of some of the machines that were important from abroad,<sup>55</sup> and even the loss of expatriate management who supervised the activities of most industries in Nigeria. He suggests that for industrial development policy in Nigeria to be achieved more industries must be established. The way things are going, most of the industries in Nigeria are located in only three

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<sup>53</sup> Asiodu Op cit p. 224-232.

<sup>54</sup> Ibid p.338-347.

<sup>55</sup> Ibid p. 341-342.

towns – Kaduna, Lagos and Port Harcourt. It can be argued that if more industries are established in all its nooks and crannies, the country will benefit economically, and more employment opportunities will be created. Another fundamental issue examined by the author is the problem of mobility and manpower development, a very serious problem for industrial development in Nigeria. Since the employment opportunities in Nigerian industry are limited, there is competition to employ labour; particularly semi-skilled labour, and engineers, accountants, and other managerial personnel are also scarce.

For those problems to be dealt with Asiodu offers the following suggestions for the establishment of industries in the following order:

- (a) Agriculture-based industries; (b) petrochemical and chemical industries; (c) integration and diversification in the textile industry; (d) an integrated iron and steel mill; (e) expansion of existing industries for possible exports; (f) passenger motor vehicle assembly; components manufacture and metal working industries.<sup>56</sup>

Another solution, suggested for the present industrial development problem in Nigeria, is that small-scale industries should be reserved for Nigerians, and more incentives should be given to Nigerians who want to establish industries in the country, such incentives to include: Import duty relief on raw materials and tax relief, as well as effective protection of their interests. The Federal Government of Nigeria should progressively reduce the quota allocation of year to opportunity given to expatriate. This will speed up industrial development in Nigeria. The essay concludes by emphasizing to government that all expatriates in Nigeria should play a vital role in industrial development. Their services should be technical, which would make them beneficial to Nigerians.

T.O. Ademola<sup>57</sup> examined different measures taken by the federal government in ensuring industrial development in Nigeria. Among these were tax incentives and import substitution. According to the author the measures have not played their expected role in industrial development, therefore tariff protection had impacted on the area of encouraging domestic manufacturers more than other measures. He argues that up to 1958 tariff protection was

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<sup>56</sup> Op cit Asiodu pp. 341-342.

<sup>57</sup> Op cit Ademola pp.266-283.

working effectively, particularly on goods and services most needed in the Nigerian industrial sector, but on other goods and services a high tariff was enforced, such as tobacco (50%), jewellery (75%), and beer and spirits (75%), and this tariff was justifiable on the basis of morality and health. He gives another important insight into the role played by tariff protection. It provided protection to local manufacturing industries and aided in the establishment of local industries in 1961.

I. L Bashir's work<sup>58</sup> examines the politics of localization of industries in Kano, and deals with the issue of incentives as well as indigenous industries in Kano State, Nigeria, in his first chapter examines the factors that had led to the development of indigenous private entrepreneurs in Kano since 1950. He pointed out that primarily the growth and development of trivate indigenous entrepreneurs had its origin from the Kano State government spending on capital policies. This gave birth to manipulation of these projects by wealthy individuals of Kano, particularly the ruling dynasties.

Another issue examined by the author is the politics of localization of industries in Kano, why most of the industries in Kano State are located in one particular geographical location (Emirate) while there are other localities with all requirements for localization of industry. He attributes this high concentration of industries within the metropolis of Kano to the interest the Kano Emirate had in it. However, most of the industries in Kano are located at Sharada industrial estate, Bompai and other industrial layouts within the Emirate of Kano. The paper argues that this uneven distribution and localization of industries in Kano had seriously affected the level of development of the other areas in the state.

He concludes that if this distribution of wealth within the state did not change, it will affect the development of the state. It may lead to urban-rural migration. Certainly what was projected about 30 years ago became true because I remember as an undergraduate at Bayero University, Kano back around 2001, Kano was listed as the number one state out of 36 in Nigeria, with so

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<sup>58</sup>I..L. Bashir, "The Politics of Industrialization in Kano: Industries, Incentives and Indigenous Entrepreneurs, 1950-1980".(PhD dissertation, Department of History, Boston University, 1984), pp. 1-300.

many people leaving for the city from the 44 local governments as to markedly depopulate them, largely because of the lack of employment opportunities there.

P. Lewis's article, "From Prebendalism to Predation: The Political Economy of Decline in Nigeria",<sup>59</sup> gives an interesting insight into the economic policy of General Ibrahim Badamasi Babangida's administration. It examines fundamental measures taken by the regime within the span of one decade (1985-1993). According to Babangida at the time he took power in 1985, there would be decisive political and economic changes. In 1990 the structural adjustment programme (SAP) was introduced. The introduction of this economic policy followed after the IMF, the World Bank, and the London and Paris clubs' conditions given to the Nigerian government before it could be given any kind of aid. The conditions had serious repercussions on the economy and society: among them were the withdrawal of subsidies on some previous services and goods, including petrol, foreign borrowing of funds for capital projects at high interest, and devaluation of the currency.

Under the disguise of the new policy (SAP), still more conditions were given to Nigerian government. For example, subsidies were removed from agriculture, the vital raw materials that fed most of the industries in Nigeria. However, financial liberalization was imposed on the Nigerian economy, and many public companies that provided essential services were privatized. The licences issued to importers of some specified products were abolished, and protective tariffs were removed. In addition, boards that controlled commodities in Nigeria were dissolved, and over 18 government agricultural agencies/parastatals were sold or liquidated.

It should be noted that all these policies were directed by the IMF and other international donor agencies. Further conditions given were immediately implemented by the Babangida administration. Companies owned by the State Imports Commodity were closed staff were reduced, firms and public agencies were closed down, and subsidies on fertilizer and petroleum products were completely removed. The implementation of this harsh economic policy paved the way for the decline and eventual collapse of industries in Nigeria. The writer concludes that

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<sup>59</sup>P. Lewis, "From Prebendalism to Predation: The Political Economy of Decline in Nigeria", *The Journal of Modern African Studies* 34 (1) (March 1996):pp. 79-103.

when the new policy was introduced the Nigerians were deceived and an impression was given that the new policy benefits the economy.

O. Teriba and M. O. Kayode's<sup>60</sup> chapter on issues in industrialization make the obvious point that industrialization is a major factor in a country's economic development. They argue that for rapid industrial development to be achieved, a proper strategy must be grounded on the country's economy.

They further argue that industrialization and economic independence became a desire to many African countries immediately after attaining their political independence. Other issues raised by the writer are to do with developing agricultural base industries. They also give an important secret for industrial development in Nigeria. According to them, apart from policies and strategies, the environment has played a vital role. They conclude by recommending the provision of a conducive working environment which will go a long way in developing the industrial sector of Nigeria.

The next major work reviewed is that of Senas on the professionalization of the industrial relations function in Nigeria. The paper examines the roles of public and industrial relations in the management of industries in Nigeria. He argues that for organizations to function effectively, the problems and nature of employees' grievances must be understood very well. He says that the number of trade association in public and private sectors has been increasing since the 1970s. This was a result of increasing awareness of human rights and how to fight for them. According to him, in 1972 it was estimated that there were over 700 trade unions throughout Nigeria with a total membership of 800 000. This number has tremendously increased compared with the total registered association trade unions of 131 and membership of 143 282 respectively in 1962,

He demonstrates that when there are cordial relations and understanding among different units/departments in an organization the objectives of the organizations are achieved. There is no single definition of industrial relations, but others given by several field of academic knowledge, including history, anthropology, economics, law, political science, sociology, and psychology.

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<sup>60</sup>O.Teriba and M.O. Kayode, "Issues in Industrialization (ed) in *Industrial Development in Nigeria, Pattern, Problems and Prospects*, pp. 3-10.

According to those disciplines industrial relations set out to achieve the following objectives, in hierarchical order:

- (1) Actors: Workers and their organizations; employer-managers with their organizations.
- (2) Context: The actors interact in a context comprising the labour and product, markets, the technology of the work place, and the power and status relations of the actors externally derived.
- (3) An ideology or a set of shared understandings which structures the nature and form of the interaction and holds the system in a state of equilibrium.
- (4) Web of rules: The major concern or output of the industrial relations system is the establishment of administration of rules which govern the employment relation.<sup>61</sup>

Blunt's work<sup>62</sup> gives an interesting insight into the ideology and historical development of industries in Nigeria (particularly public enterprises). According to him, on the eve of 1954 Nigeria realized the importance of the Nigerianization of companies owned by the British colonial government, and in the early years of Nigerian independence the establishment of its own public enterprises was seen as crucial to supply basic services to Nigerians.

The first public enterprise companies established were the Electricity Company of Nigeria (ECN, now NEPA, or PHC), the Nigerian Ports Authority, the Nigerian Coal Corporation, the housing corporations, the security printing press in 1962, Nigerian External Communication Ltd, and the Nigerian assets of the Cable and Wireless Company, Ltd. These public enterprises were owned by the then federal and regional governments, i.e. the Northern, Western and Eastern regions. Below is the classification of public enterprises in Nigeria:

- (1) Public corporations, federal and regional, the most important of which are concerned with running public utilities;
- (2) Ltd liability companies with or without the participation of private capital;
- and (3) development corporations and their agencies.<sup>63</sup>

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<sup>61</sup>J.U. Senas, "Professionalization of the Industrial Relations Function in Nigeria", *Indian Journal of Industrial Relations* 8 (4)(1972): pp. 495-511.

<sup>62</sup>M.E. Blunt, "The Place of Ideology in the Origins and Development of Public Enterprise in Nigeria Industrialization" (ed) in *Industrial Development in Nigeria, Pattern, Problems and Prospects*, pp. 74-86.

<sup>63</sup>Ibid., 77.

Blunt argues that the establishment of public enterprises in Nigeria in the late 1950s and early 1960s was done with the objective of paving the way for the establishment of more public and private companies. Based on his analysis, one would see the reason for the establishment of (ECN): it was to supply energy because it is important for the take off of industries.

That is why power, communications, and other essential services were provided first. The writer argues as follows:

The government has to involve a policy of industrialization. We do not believe that all the industries should be started by the government and slowly be controlled by the government. The government's work is to help companies, corporations, and private people to establish their industries, and experience has shown that where the government has engaged in industry the whole thing could not be run on a commercial basis.<sup>64</sup>

G. O. Akin's chapter <sup>65</sup> examines the role played by the Federal Government of Nigeria in the establishment of industries in Nigeria. He argues that during the early stage of its development, the industries and other public enterprises were established by the Federal Government in order to provide essential services to the public. That is why the electricity, communications, ports and water, because of their importance, were allowed to be run as private enterprises in order not to be monopolised, and temper any aggressive profit motive.

He argues that the greatest objective of the Nigerian government was to rapidly develop Nigeria's industrial sector. That is why priority was given to the industrial sector in 1970-1974 under the national development plans, particularly the manufacturing sector.

The work by Bryant entitled *Guide to Kaduna: The Capital of Northern Nigeria*,<sup>66</sup> examines the factors that led to the relocation of the capital of Northern Nigeria from its previous location to Kaduna. Initially Lord Lugard made Lokoja the capital, later moved to Jebba and then Zungeru. The reasons given for frequent relocation were mostly the poor climate, mosquitoes and

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<sup>64</sup>Ibid, 77.

<sup>65</sup>G.O Akin, "Government Investment in Industry,"(ed) in *Industrial development in Nigeria: Pattern, Problems and Prospects*,pp. 308-321.

<sup>66</sup> K. J. Bryant, *Guide to Kaduna: The Capital of Northern Nigeria*, pp. 1-27.

administrative inconvenience. Despite relocation from three previous towns, the colonial state insisted that the capital of Northern Nigeria should be located at the centre to make all the provinces of the Northern Region more easily accessible for administrative purposes.

When the capital moved from Zungeru to Kaduna the choice of Kaduna was informed by a combination of reasons including the fact that Kaduna is centrally located, and therefore close to all the provinces of Northern Nigeria except Adamawa and Maiduguri, Kaduna is an entirely artificial town, set in an area which had been devastated by the slave trade, and so has native associations. It therefore shares with the capitals of Canada, Australia, and South Africa the advantage of 'neutrality', and freedom from local jealousies. Bryant gives an interesting insight into the feature of modern Kaduna and their historical antecedents, such as Kaduna Airport, Dala Barracks, Ja'atu Nasir Islam, Kaduna Pillars, Government House, Kaduna Capital School, the Federal Training Centre, Lugard Hall, the Northern Police College and many other structures in Kaduna.

Others include the Geological Survey, the Northern Nigerian Survey Division, Kaduna railway station, Kaduna Textiles, Ltd, Thomas Wyatt and Son, Nigeria, Ltd, Arewa Textiles, Ltd, United Nigerian Textiles, Ltd, the Medical Auxiliaries Training School, the Community Nurses Training Centre, the Leprosy Centre, and the Society for the Blind. In addition, he provides the description and location of commercial establishments in Kaduna such as Leventis departmental store and supermarket for supplies of all kinds; refrigerators, electrical goods, domestic appliances, clothing for the family, etc., and Hashim's, supplying furnishing fabrics, house linen, glassware, sports goods and readymade clothing, Chellarms Stores has a good selection of cold and other provisions in stock, readymade garments, linen, jewellery, watches, etc. Bryant also provides a list of banks in Kaduna: the Bank of the North, Barclay's Bank DCO, the United Bank for West Africa, and the Central Bank of Nigeria, Kaduna Branch. There is also information on Northern Nigerian News papers, the Northern Cultural Society, the Ministry of Lands, and military establishments.

M. B, Salau's MA thesis<sup>67</sup> examines the process involved in the establishment and growth of Kaduna during the period between 1913 to 1945 and 1980. He urged and demonstrated that the British colonial state deliberately excluded Kawo from the major settlements designed to develop as the new capital, administrative and political city of Northern Nigeria.

He argues that the integration of Kawo with the main settlements was primarily done in the interests of the colonial state. But the later inclusion of Kawo transformed the town from a homogenous to a heterogeneous society and from an agrarian to a service-oriented society. He also analysed the factors that made Kawo rapidly grow into an urban settlement within the colonial period.

I.D. Suleiman's thesis<sup>68</sup> examines the historical background of industrialization in Northern Nigeria, and the factors responsible for the location of industries in Kaduna. He argues that combinations of factors played a significant role in the location of industries in Kaduna to include the centrality of Kaduna itself. Its strategic location at the centre of Northern Nigeria contributed greatly to its importance. Secondly, the availability of raw materials that used in production in the industries in Kaduna were found mostly within Northern Region; for instance, the textiles industry got all its cotton from the region. He writes that labour has naturally been important for the establishment of industries therefore. Because of the nature of Kaduna, where people are welcomed from all over in respect of their social, political, economic, tribal or religion affiliations, it paved the way for many immigrants. In fact most labourers were people who came from other states and regions than Kaduna.

According to the author, the proximity of markets has played a significant role in the location of industries in Kaduna. It is easier to carry a finished product to any part of the country without much difficulty compared to other location within the Northern Regions. Road networks was another consideration in the location of industries in Kaduna, as were railway lines which connected Kaduna with other major cities, towns, and even villages. From Kaduna links ran to

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<sup>67</sup>M.B Salau, "A Political and Economic History of an Urban Settlement: A Case Study of Kawo, Kaduna, 1913-1980", (MA thesis, Department of History, Ahmadu Bello University, Zaria, Nigeria, 1992), pp. 1-202.

<sup>68</sup>I D Suleiman, "Industrial Locations in Kaduna" (BA Honours Project, Department of Geography, Ahmadu Bello University, Zaria, Nigeria, 1975), pp. 1-104.

Kano, Nguru, Plateau, Bauchi, Gusau and Kaura-Namoda, and to southern parts of Nigeria such as Lagos, Enugu, Port Harcourt and Owerri. Finally, the relatively good weather and working atmosphere contributed to the industrialization of Kaduna.

Finally, the researcher reviewed the work compiled by the defunct Ministry of Trade and Industry, Government of Northern Region, entitled *The Industrial Potentialities of Northern Nigeria*,<sup>69</sup> the then Ministry of Trade, and Industry of Northern Nigeria. This was a guide to the potentialities of Northern Nigeria for investors, with 46 chapters with several sections. Chapter 1 includes the Introduction, meteorological data, and information about the people and principal industrial areas, which were Kaduna, Zaria, Jos, Gusau, Gombe, Ilorin, Sokoto, Maiduguri, Lokoja, and Makurdi. The book provides detailed information on the population, resources, and nature of the land for industrial take-off.

Chapter Two provides a progress report with regard to industrial and commercial development from 1946-1963, and another for 1962-1968 on national development. Other chapters in the book provide a list of industries based on local raw materials. These included handweaving, textiles and agro-based industries. Finally, the book provided vital information for anyone who wished to invest in Northern Nigeria. For the current research, the book supplies unique information on industrial development in Northern Nigeria.

## **1.7 Research Methodology**

### **1.7.1 Method**

The historical writing involved the use of primary and secondary accounts that will facilitate an intelligible account on the factors that contributed to collapse of industries in Nigeria. Historical research is the process of systematically examining past events to give an account of what has happened. It is not a mere accumulation of facts and dates or even a description of past events. Rather, it is a flowing, dynamic account of past events that involves an interpretation of them in an attempt to recapture the nuances, personalities, and ideas that influenced these events.

This research made use of different sources to obtain information to be used in writing the draft thesis. Interviews were conducted with relevant individuals and groups in various parts of the

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Government of Northern Region: *The Industrial Potentialities of Northern Nigeria*,<sup>69</sup>

area and elsewhere. The information obtained will be assessed by corroborating it with other sources like archival materials.

Secondly, archival research will be conducted at the National Archives at Kaduna and the Arewa House Centre for Historical Research and Documentation of Ahmadu Bello University, and in Kaduna. Library research in Zaria, Kaduna, Kano and other towns was undertaken for materials such as MA theses and PhD dissertations, conference proceedings, journals, and seminar papers. In addition pamphlets, newspapers, and magazines were used. Valuable data in the form of books, essays from journals, pamphlets, magazines, periodicals, unpublished theses, and dissertations were identified for use in this study at the University of Zululand, and particularly in the Zulu Collection.

One of the goals of historical research is to communicate an understanding of past events. Thus conducting historical research becomes important in uncovering the unknown (i.e. some historical events are not recorded); answering questions (i.e. there are many questions about our past that we not only want to know but can profit from knowing); identifying relationship that the past has to the present (i.e. knowing about the past can frequently give a better perspective on current events); recording and evaluating the accomplishments of individuals, agencies, or institutions; and assisting in understanding the culture in which we live.<sup>70</sup>

The nature of this study implies adherence to the view that there is no one approach used in conducting historical research, although a general set of steps is typically followed, including identification of the research topic and formulation of the research problem or question; data collection or literature review; evaluation of materials; data synthesis; and report preparation or preparation of the narrative exposition.

The research product was a combination of primary and secondary sources (i.e. published and unpublished sources). There was the determination of the validity, trustworthiness, or authenticity of these sources (external criticism). This study also determined the reliability or accuracy of the information contained in the sources collected (internal criticism). It has been

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<sup>70</sup>R.B. Johnson & L.B. Christenson, *Education Research: Qualitative, Quantitative, and Mixed Approaches*, pp. 300-316.

proven in this study that first-hand accounts by witnesses to an event, for example, were typically assumed to be more reliable and accurate. This was done through positive and negative criticism.

The study, however, used three heuristics in handling evidence to establish its authenticity or accuracy: corroboration, sourcing, and contextualization. Corroboration entails comparing documents to each other to determine whether they provide the same information. Sourcing involves identifying the author, date of creation of a document, and the place it was created. During contextualization, the researcher identifies when and where an event took place.

### **1.7.2 Dissemination of Research**

The findings of this present research study will be disseminated to the public in various ways; these include seminars, publications and other relevant means. The findings of this research will also be disseminated to the tertiary educational institutions, universities, federal and state colleges of education, federal and state polytechnics, and research institutions within South Africa and Nigeria.

The research will be disseminated through publication in Journal articles and books, and reading papers in local and international conferences and workshops. This will solicit the involvement of professional historians, specialists on heritage and ecotourism, history teachers and learners, genealogists and biographers, cultural conservationists, librarians, journalists, lawyers, theologians and civil servants with a keen interest in the history of industrial development in Nigeria. Industrialists, state and Federal Governments, and stakeholders in the industrial sector of Nigeria will be provided with a copy of the completed dissertation with the view to all the findings, observations, and recommendations being implemented for the benefit of Nigerians and any country in the world with industrial challenges. The research findings will also be disseminated for world consumption through the internet.

## **1.8 Ethical Consideration**

The research will follow the established ethical standards of scholarship by acknowledging through the use of footnotes, endnotes and quotation marks, as the case may be, the sources of information and ideas obtained from the works of other scholars.

Interviews to be conducted with employees of the Nigerian government, the Kaduna State government, and those of private industries will be used strictly for research. In addition the respondents' rights and privacy will be respected. The research will avoid anything that will lead to embarrassing the respondents or tarnishing their image.

### **1.9 Thesis Structure:**

This research study comprises six chapters. Chapter One includes the aims, objectives and the methodology of the study, statement of the of problem, research question, scope and limitation of the study, significance of the study, literature review, dissemination of research ethical consideration and thesis structure. The second chapter of the research delves into the historical development of industries in the Kaduna State of Nigeria, government philosophy on industrialization, origin of establishment of industries in Kaduna, marketing and industrial development strategies. Chapter Three examines the role electricity; also the chapter examines the structure and source of labour. Textile industry, Manufacturing, automobiles, media, printing and publishing, Health and pharmaceuticals industries, agro based, food processing and confectionary, oil and petrochemical and trading industries are also examined.

Chapter Four gives an exposition of the underlying factors towards the collapse of industries in Kaduna state, 1999-2010 includes the textile industry, inadequate power supply, Kaduna refinery and petrochemical company, high importation of foreign products, imposition of different form of heavy taxation and levies, corruption, structural adjustment programme, lack of patronage and lack of implementation of national development plans. Chapter Five chapters evaluate the aftermath and impact of collapsed industrial development in Kaduna State in respect of socio-economic development during the period from 1999 to 2010. Chapter six analysed the Contributions of Manufacturing Industries to Kaduna State's Economic Development up to 2010 such as Revenue Generation for the State. The chapter also suggested the Way Forward for Industrial Development such as reform in the Power Sector, Reviving Industrial Training Institutions, and given Incentives for Industrial Development. Final chapter comprises the general conclusion, appendixes, list of sources, and pictures.

## **CHAPTER TWO**

### **Historical Development of Industries in Kaduna State – Nigeria**

#### **2.1 Introduction**

The chapter examines the historical process that laid the solid foundation for the establishment of industries in Kaduna State. It argues that the strategic location of Kaduna being the headquarters of the former Northern Nigeria played a vital role in the location of industries. This was further strengthened with the availability of raw material needed for the ever-increasing industries. Similarly, Kaduna was presumed to possess large markets and cheap labour occasioned by the incessant migration to the town at the early period of its establishment. The chapter also analyses the government's policies with regard to industrialization at both federal and state levels, and how it affected the proliferation of industries in the state. And it examines the various phases and processes that led to the large scale concentration of industries in the state.

#### **2.2 Government Philosophy and Vision on Industrialisation**

For any country to develop economically and be self-reliant it is imperative to clearly state its industrial philosophy and vision, which will guide its policy objectives. It was on this note that a number of policies, strategies, and devices were employed in order to effectively set the stage for a robust industrial development for the region in a period preceding the independence of Nigeria. These policies were intended for both Federal Government and Kaduna State, in particular. For the purpose of this research the various industrial development policies are examined – laws, decrees and edicts that were enacted by both the Federal Government and Kaduna State. The study will also critically examine the effectiveness of these policies towards a laying a solid foundation for industries in the state and the region at large.

It is important to note that a conference was organized in September, 1964. The theme of the conference focused on industrialization in developing countries. It was held in Cambridge, England. The delegates for the conference were drawn from Third World countries, and at the end made very lucid and invaluable observations, and proffered solutions for the industrial development of the continent. It had been observed that the Third World countries had been neglected in terms of industrialization. Similarly, for these countries, to which Nigeria belongs, industrial development is not the only way of raising and improving standards of living, but also

a mechanism for building national strength, reputation, and prestige as well as becoming an asset in international politics.<sup>71</sup> The statements made by the delegates from Third World countries, and views expressed by others at the conference were summed up by Dr R. Robinson:

Industrial development glitters with promise. Nothing else seems to hold out much hope of fulfilling the expectations of the new nationalism, winning economic independence, and raising average prosperity dramatically.<sup>72</sup>

The historical relationship between the industrial development of the advanced countries and their important positions in world politics has supported the various views expressed by the delegates from Third World countries during the conference. It is of great importance to note that the British were the first country in the world that became industrialized, in the 1750s. This meant a gradual transformation from primitive to modern modes of production, involving the use of machines which made works faster than the old way. This arguably led to massive production and a demand for more and raw materials that could feed its industries. This led to the colonization of many countries of the world of which Nigeria was one. The British colonized Nigeria in 1900, which led to exploitation of the country's human and natural resources. British rule gave birth to the problems of industrial development that Nigeria is facing today. It will be examined extensively in the coming chapters. However, in the 19<sup>th</sup> century Britain did not rule the waves because of her export of agricultural products, but largely because she was the industrial centre of the world. The delegates that attended the conference from Third World countries realized that economic independence was not like political independence: it cannot be achieved on the battlefield. They stated that:

The benefits which developing countries derive from industrialization are the saving of foreign exchange, the raising of output per capita, and the creation of investment per capita at a fast rate. Developing countries in Africa are realising through experience that some degree of economic independence, unlike political independence, cannot be achieved on a battlefield, or through a series of round-table conferences, but only through such economic policies as will help to transform the present predominantly agricultural base of their economies<sup>73</sup>

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<sup>71</sup> O.T. Teriba, M.O Kayode (eds), *Issues in Industrialization*, p. 3.

<sup>72</sup> R. Robinson, "Industrialization in Developing Countries", in R.F Meager (ed.) *Journal of Modern African Studies* (Cambridge University Press, 1965), p. 5.

<sup>73</sup> Ibid, p. 5.

### **2.3 History of the Establishment of Industries in Kaduna State**

The history of the establishment of industries in Kaduna State should be understood within the wider historical context of the strategic location of the state as the former headquarters of the Northern Protectorate ,and later of the then Northern Region. The industrial development of the Northern Region received a boost from the Northern Regional government's drive to make the region a leading economy in postcolonial Nigeria and Africa in general.

It suffices to note that the former Northern Regional government and the regional House of Assembly under the leadership of the premier strongly believed that the economic development of the region was the cornerstone for the prosperity of the subregion in an independent Nigeria. For the region to be economically and politically viable certain measures needed to be taken to prepare the Northern Region to compete favourably with the other regions in the country. Therefore, the regional government mapped effective strategies and formulated a number of policies for the economic development of the region. The first step in this direction was the siting of a number of industries in order to serve as a catalyst for the economic growth of the region<sup>74</sup>. It was preceded by a bill submitted by the regional government to the Regional Assembly, and which was hotly debated. The bill explained the kind and type of industries to be established, the locations to be sited, and the source of raw materials. Other issues debated by the Northern Regional Assembly were issues pertaining to roads, electricity, and the workforce<sup>75</sup>.

Consequently, after extensive deliberations the House of Assembly passed the bill into law, which marked the first drastic step for the establishment of industries in the former region. A committee was set up to come up with a White Paper for its effective implementation. The Director of Local Industries, Mr Stanhope White, suggested three potential sites. The potential sites were:

- (a) Virgin land near Kaduna town
- (b) Jebba on the river Nigeria

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<sup>74</sup>Federal Republic of Nigeria, Fourth National Development Plan, p. 36

<sup>75</sup>National Archive Kaduna (NAK), Zaria province, File No. 17/2 9944.

(c) Makurdi on the River Benue<sup>76</sup>

It should be noted that all the suggested sites are in part of Northern Nigeria. The Northern Regional Assembly and the top Northern officials believed that Kaduna would be the most appropriate site where the industries would be located,<sup>77</sup> Thus, huge agricultural output was more readily available to serve as raw material for the newly established industries. Other reasons advanced included fertile lands, population, animals, land mass and so many other things that were important for the take-off of industries.<sup>78</sup>

Mr Stanhope White arranged with the survey department to inspect the proposed site (Kaduna) through their stereoscopic aerial photographs bounded by the river to the north, the Kaduna-Baro-Lagos railway to the east, to the south, and the Topo River to the west.<sup>79</sup> After careful examination of the sites, the Civil Secretary of the Northern Region, Mr. S. J. Moore, gave approval to the choice of Kaduna as the most suitable site for the establishment of industries. However, thereport recommended that the proposed site (Kaduna) should start as a textiles industrial hub. Therefore, local industries were directed to make the necessary preparations for the examination of the site by the representatives of the Calico Printers Association.<sup>80</sup>

Immediately after getting the directive from Mr Moore through a letter titled “Industrial Development Northern Region”, Mr Stanhope White began preparations. The responsibility for these preparations was shouldered by the following directors:

- (i) Director Public Works Department
- (ii) Director Geological Survey
- (iii) Head of Department of Survey
- (iv) The regional engineer and manager.

Below is detailed information as contained in the letter written by Mr Moore to Mr White on the general philosophy of local industries as it affects the Northern Region:

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<sup>76</sup>Kaduna, Development of an Industrial Estate (B.27), p. 23.

<sup>77</sup> Confidential interview with Mr Abdullahi Adamu held on 20 June, 2014, at Tudun Wada, Kaduna North local government, Kaduna.

<sup>78</sup>National Archives, Kaduna, Op cit File No.JR6.

<sup>79</sup>National Archives, Kaduna, Op cit File No.JR6.

<sup>80</sup>Ibid File No.JR6.

It is obvious that an area of several square miles is going to be required for the factory area, a residential area for 100 senior service staff, and an operatives' town of, say, 30,000 people plus ancillary services of about another 10,000. Furthermore, industry attracts industry, and there is reason to believe that other firms will follow the first and indeed a second, though very small firms are pursuing similar enquires and in the next week or so to give their requirements additional to the above. Additionally, such a town will probably require the provision of the services which already exist in existing towns in the shape of food supplies, and we may well have to consider a corn storage and milling plant with its extra demands for water, e.t.c etc. Such an area needs good communications and water, and for a variety of reasons.., the area south of the Kaduna river, to the west of the present junction area, must first be considered. If as a result of these preliminary enquires there appear to be insuperable obstacles, it will be necessary to start again with some otherplace in the Region. But for the moment, I would be grateful if you would consider the area lying between Kaduna junction and Romi River. I have already confirmed from the Nigerian Railway authorities that, subject to accurate survey and placing of buildings and railways in the light of that survey, there are no objections to a siding from the reconstructed Kaduna junction station in a roughly westerly direction to serve one or more factories placed near the river bank. It appears that the high ground to the south corresponding to the ridge in which Kaduna stands would be ideal for a town site.<sup>81</sup>

Availability of raw materials is one the preconditions for the localization of industries anywhere in the world, so their abundance in the Northern Region (including Kaduna State) was an important factor in the location of industries. If raw materials are available it seriously assists in cutting down the cost of transportation. However, in the case of Kaduna at the time of siting the first textile industry, cotton production was high in the state. Cotton was available in Kaduna and viable areas.<sup>82</sup> Subsequently, more textile industries were established owing to the abundance of cotton in the state. In order to successfully establish them, there was an agreement (MOU) signed between the Northern Cotton Marketing Board and the owners of a newly established textile industry. The agreement signed stipulated that the Northern Cotton Marketing Board should

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<sup>81</sup>National Archives, Kaduna, Op cit, File No: 29/s.1,p. 68.

<sup>82</sup>Kaduna, Development of an Industrial Estate (B.27), p. 23.

supply cotton to the local textile industry before exporting for foreign consumption. It was also agreed that the board would provide the required cotton for our textiles at affordable prices.

Another step taken in the process of establishing industries was the construction of staff houses, offices, and factories. The Assistant Commissioner (Labour) was directed to provide full details of local wages in the building and allied trades in Kaduna to the representatives of the firms. As he was instructed, the Assistant Commissioner labour provided all the necessary details such as wage rates for general and special labour in Zaria Province (Kaduna). He was also requested to provide detailed information on wage rates for artisans in the province. A comprehensive list of the requested items was sent to the representatives of the firms.

It is worth noting that the role played by Nigerian Railways in the establishment of industries in Kaduna was very advantageous for the successful take up of the firms. In the course of searching for suitable areas where industries could be located, a large amount of land was given to industrialists in preparations for the establishment of industries. Messrs Moore and White wrote a letter to the Manager, Nigerian Railways requesting the allocation of land for localization of industries. In his response the General Manager Nigeriastated that: the Nigerian railway was always ready to contribute towards any development that would have a positive effect on human wellbeing.<sup>83</sup>

It is imperative to note that the process of establishment of industries in Kaduna was a herculean task that involved various departments and specialized units, which were assigned to diverse roles and within a short timeframe to submit plans and reports for take-off. The first department that submitted its report was the Department of Geology. However, it should be noted that all the committees or departments that had assignments were given terms of reference. Some departments were asked some questions about the suitability of locating industries in the area in question. For example, some of the questions that were forwarded to the Geological Unit to provide immediate answers included the following:

- Are the banks firm or will the river meander?
- Will training banks be necessary?
- If the tube well and thrust pipes are necessary can they advise?

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<sup>83</sup>National Archive Kaduna, Op cit File No:Sec. 29/s.1, p. 73.

- If there is an underground reservoir between outcrop of rock near the bridge and the rapids west of the suggested site which will supply water?<sup>84</sup>

After in-depth research by the Geological Department on these questions it submitted a report with recommendations. On 17 March, 1953, the Director of the Geological Department reported back to Mr White. In the report he stated that “The area in question is underlain by banded gneisses similar to that those underlying the Kaduna junction and Kaduna areas. The present course of the Kaduna River may, for practical purposes, be regarded as permanent, but it would of course be advisable not to site the industrial residential building right on the river bank, as there should be no need for the construction of a training wall” Finally, he pointed out that “the water supply will have to be obtained from the River Kaduna as ordinary wells within the factory area will not provide adequate supply. It may be necessary ultimately in future to construct a dam around the River Kaduna.”<sup>85</sup> Meanwhile, positive reports were received from various departments and units. The Finance and Development department was instructed to make financial arrangements with various departments and units concerned to enable them to start work at the site immediately. Below were the findings and recommendations of the various departments and units on the basis of which the budgets were made:

1. Railways: are suitable for a siting to serve as an industrial estate subject to proper siting of buildings; consultation with railway authorities necessary at all stages of planning.
2. Water: minimum supply of 6 000 000 gallon per day will provide enough for an industrial area plus township of 60 000 people.
3. Geology: ground suitable for factory buildings; course of river can be taken as constant; buildings should not be close to bank, however.
4. Survey: area in question is not allocated for any other government use.
5. Electricity: the area is suitable from the point of view of plant extensions and for supply from Shiroro Dam. The corporation wants to deal directly with the firm about this matter.<sup>86</sup>

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<sup>84</sup>Northern Nigeria Ministry of Economic Planning, Development 1962-1968, p. 54.

<sup>85</sup>Government of Northern Nigeria, *The Industrialist's Guide to Northern Nigeria*, 9.

<sup>86</sup> National Archive, Kaduna, Op cit File No. 62866/13.

It is important to note that these were the criteria that to a large extent qualified Kaduna State as an industrial site. After the submissions of financial implications by the various departments to the Department of Finance and Development, it took nearly two years before the work started at the site. This created anxiety among the people who were very enthusiastic about the take-off of industries in Kaduna. On 13 December, 1954, the Acting Civil Secretary for the Northern Region, Mr A. Olojide, released a letter about the progress made so far with regard to the establishment of industries in Kaduna. He pointed out that the whole question of the localization of industries in the Northern Region was in progress of being considered. He stressed the need to wait to receive all reports from the International Bank Mission which had already arrived in the country. The whole idea was to hear their views as experts. The government and people of the Northern Region waited patiently for the outcome of the recommendations from these experts. However, after long deliberation, tours to the proposed sites, and meticulous examination of them, the bank's officials approved the site. According to them the site had all the pre-requisites for the establishment of industries.<sup>87</sup>

On 13<sup>th</sup> January 1955, a visible stage was reached; a specific area of land was set aside in conformity with the recommendations of the International Bank Mission. Initially, the site in question (an industrial estate) was to provide assistance to industrialists in two ways. Firstly, it would provide factory units for letting to tenants whose financial resources were insufficient to enable them to build and equip their own factories or industries. Secondly, it was intended to run the estate as a commercial venture to determine its viability in Nigerian conditions.<sup>88</sup>

After long preparation, arrangements, consultation, and examination by local Nigerians and international experts, the first modern industry was established in the Northern Region in 1957, i.e. Kaduna Textiles Ltd (KTL). This marked a major step in the Northern Region's industrial development. The establishment of KTL followed the conclusion of agreements between Messrs David Whitehead and Sons, Ltd, of Rawtenstall, Lancashire and the Northern Regional Marketing Board, and the Northern Regional Production Development Board. It was estimated that construction of KTL would be at a total cost of E1 250 000.

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<sup>87</sup> National Archive, Kaduna, Op cit File No. 62866/13.

<sup>88</sup>Federation of Nigeria, *The Economic Program of the Government of the Federation of Nigeria, 1955-1960*, p. 24.

The factory was equipped with 14 000 spindles and 300 automatic looms.<sup>89</sup> The establishment of the textile industry paved the way for the establishment of additional textile factories in Kaduna. These included: United Nigerian Textiles, Northern Nigerian Textiles, Kaduna Textiles, Arewa Textiles, and Zamfara Textiles. Other pioneering industries established in Kaduna were Super Fertilizer, the Peugeot automobile assembly plant, Nigerian Breweries, Thomas Wyatt, Moukrim Industries, Crittall-Hope, and Turner's Cement Asbestos, Nortex, and the Nigerian Defence Industry<sup>90</sup>. In a nutshell, the establishment of large scale manufacturing firms in Kaduna led to its rapid industrial development. This will be examined in the next chapter.

## **2.4 Location of Industries in Kaduna State**

There were various reasons for the location of industries in Kaduna. A prime one was Kaduna's strategic location, its proximity to raw material, as well as closeness to markets. Kaduna also was the only major city between the populated parts of the northern and southern states of Nigeria that was sparsely populated. The strategic location factor, coupled with the fact that Kaduna is a junction for the transport and communication network from the eastern and western parts to the northern parts of the country, enabled Kaduna to act as a "break-of-bulk" centre. This "break-of-bulk" status is very important because, with the exception of the textiles industry, all the other factories import their raw materials.

Other factors in the location of industries in Kaduna could best be noted in their historical evolution. For example, the Baraka Press was established in Kaduna in 1954. The motive behind its location then was not only to serve the printing requirements of the northern states, but also principally for the regional government's (the former Northern Region's) publications. The urgent need of a printing press in the region compelled the government to establish it.

There were two factors justifying the location of the fertilizer factory in Kaduna. The first factor was the strategic location of Kaduna at the centre of Northern Nigeria. The second was the prerequisite that the consumption should reach a minimum 50 000 tons a year, and that there

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<sup>89</sup>J.N.Paden Ahmadu Bello, the Sardauna of Sokoto, *Values and leadership in Nigeria*, 265.

<sup>90</sup>I.D. Suleiman, *Industrial Location in Nigeria*, p. 19.

should be an efficient method of transporting the materials and finished products.<sup>91</sup> Addition, There were arguments whether the fertilizer industry should be located at Zaria or Kaduna, but Kaduna emerged a better centre owing to its strategic location, and its political relevance in being situated close to the Zaria Emirate. The industry is a Federal Government project which needed to be located in a central and strategic location.

## **2.5 Ownership of Industries in Kaduna State**

There are over 300 types of industry in Kaduna State ranging from large to small and medium-scale, <sup>92</sup> owned by private individuals, Federal Governments, and multinational organizations. Some of the industries established in Kaduna were jointly established by government and private individuals or government with multinational companies. There were various types of industries established in different parts and in different periods in Kaduna.<sup>93</sup>

The defunct Northern Region government in partnership with the Chinese Mr Cha Chi Ming established its first textile industry named United Nigerian Textiles Ltd (UNTL). It was incorporated in Nigeria on 7 May, 1964. Initially UNTL was a finishing plant importing grey cloth as its main raw material, but following the Federal Government's policy on backward integration in June, 1967, the company installed both spinning and weaving facilities to produce grey baft from locally grown cotton. In its determination to expand its operations, in 1967 the company acquired a controlling interest in Zamfara Textile Industry Ltd (ZTIL). By this decision, UNTL was assured of a steady supply of grey batf for its highly efficient finishing plant which, at that time, was the only plant producing highly sophisticated wax prints in the country, and indeed, in West Africa. In 1976, UNTL conceived the idea of establishing a factory to produce materials quite different from the conventional products in both its Kaduna (UNTL) and Gusau (ZTIL) factories. This was successfully incorporated and established in 1977 at Funtua under the policy of even spread. Funtua Textiles Ltd (FTL) was producing high quality bed-sheets, pillow cases, and cotton polyester fabric<sup>94</sup>.

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<sup>91</sup> National Archive, *Report on the Location of Fertilizer in Kaduna*, 28 -32.

<sup>92</sup>Kaduna StateMinistry of Commerce and Industries, 2014 Report.

<sup>93</sup>*Guide to Investors in Kaduna State: Investment Opportunities in Industries*, pp. 1-8.

<sup>94</sup>"Historical Background of United Nigerian Textile Ltd": *Silver Jubilee, 1964-1989*, p. 1-2.

However, in 1980, UNTL bought off NORPIN and on its premises a subsidiary company (UNITEX Ltd) and an associated company (Supertex Ltd) were set up. UNITEX Ltd is a spinning plant which produces yarn for the sole consumption of UNTL. Supertex Ltd is a finishing plant producing wax prints. United Nigerian Textiles Ltd (UNTL) is the owner of a group of five companies spread over three neighbouring states, namely: Kaduna, Katsina, and Zamfara, with its products being distributed throughout the country. It also makes special products for export to the neighbouring Economic Community of West African States (ECOWAS) countries<sup>95</sup>

Kaduna Textiles Ltd was another industry owned by the defunct Northern Regional Government and Rawtenstall, Lancashire, UK; The industry was established in 1955, in collaboration with the Northern Regional Marketing Board and the Northern Region Development Corporation.<sup>96</sup> In April 1955, Sir Ahmadu Bello, Premier of Northern Nigeria, and Alhaji Aliyu Turakin Zazzau travelled to Rawtenstall, Lancashire, UK to follow up on the possibility of partnering with the British textile manufacturing firm, David Whitehead and Sons, whose directors saw numerous advantages to locating the mill in Kaduna as stated below:

Cotton farming was well established throughout the region. The BCGA ginnery was less than sixty miles away and Kaduna was the seat of regional government. The fabric which we planned to manufacture was baft akoko in Hausa language, an unbleached fabric which an ordinary man or schoolboy would wear for everyday use. He would change to bleached white shirting (which we planned to add to our production if all went well).<sup>97</sup>

On 22 November, 1957 the Kaduna textile mill was opened by Sir Ahmadu Bello, the Sardauna of Sokoto, and Premier of Northern Nigeria.

Apart from the industries established and owned by the Northern Region government in collaboration with multinational companies there were others established by the Federal Government of Nigeria located in Kaduna, including the federal Super Fertilizer and Phosphate

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<sup>95</sup> Ibid.

<sup>96</sup> *The Textile Workers*: Publication of the National Union of Textile, Garment and Tailoring Workers of Nigeria, 2.

<sup>97</sup> Confidential interview with Gordon W, Hartley, former Director: Weaving and Spinning, Kaduna Textiles Ltd, 20 February, 2004.

Company, the Peugeot Automobile Company, the Nigerian National Petroleum Company, and the Electric Meter Company.<sup>98</sup> The major industries in Kaduna owned by the Kaduna State government include: The Ikara Tomatoes Processing industry, the Makarfi Sugarcane Processing Company, the Ginger Processing industry, and the Kachia and Zaria Pharmaceuticals industry. Some industries are owned by multinational companies such as the British American Tobacco Company, Zaria, Nigerian Breweries, and Zaria Industries, the manufacturers of tarpaulin. However, there are other major industries owned by 19 Northern States. These include: the Northern Cable Company (NOCACO), Ltd, Northern Nigerian Newspapers, and the Northern Nigerian Development Company.<sup>99</sup>

## **2.6 Marketing**

The survival and development of industries anywhere in the world largely depends on the availability of markets for both raw materials and finished products, hence one of the prime considerations given for the location of industries in Kaduna was markets and consumers. In Kaduna, for all the industries established the issue of markets was given special attentions. Kaduna State, as the former headquarters of former Northern Nigeria, and because of its central strategic location, had an advantage over other states within the region. However, the formidable markets and proximity to industrial estates were the major reasons for the siting of the majority of industries in Kaduna State.

As must be clear by now, there are various types of industries in Kaduna producing various types of products. The major industries are textiles, fertilizer, flour, and food processing, furniture, baking and confectionary. From the fieldwork it was found that the products in the area of study are sold at four different of markets: Kaduna State itself as an urban centre, the Northern states, Nigeria at large and finally other countries outside Nigeria's borders, particularly the neighbouring Nig.er Republic, Chad and Cameroon, though in very negligible quantity. The industries whose outputs are sold in markets within the Kaduna metropolis and its environs are baking and confectionary, printing and publishing, surgical products, industrial gases and furniture.<sup>100</sup>

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<sup>98</sup> Guide to Investors in Kaduna State: *Investment Opportunities in Industries*, pp. 17-18.

<sup>99</sup>Kaduna StateMinistry of Ccommerce and Industries, 2014 Report, pp. 8-24.

<sup>100</sup>I. D Suleiman,*Industrial Locations in Kaduna*, p. 44.

It is of paramount important to note that the baking industry is usually market oriented. All the baking factories in Kaduna sell within the Kaduna metropolis. This was understandable, looking at the nature of the industry. The products are more perishable than their raw materials, and the baking industry has a low weight loss ratio between the weights of raw materials consumed by a factory, and the weight of finished products. There is a principle which states that “the lower the weight loss, the stronger the tendency for the industry to locate near its customers.”<sup>101</sup> However, the transport costs for moving finished products are greater than those for moving raw materials. The industrial gases – oxygen and others – are consumed in Kaduna, especially by the industries, while some percentage is marketed in Zaria.

Kaduna is notably known for its printing and publishing industry, which has two or three major markets within the state. These include the government and private individuals. From the 1960s to the 1970s there were two major printing and publishing industry that dominated the markets in Kaduna State and other parts of the north: Northern Nigeria Publishing Company and New Nigerian Newspapers. In the 1980s the town witnessed a proliferation of publishing houses such as Bakara Printers, Democrat Newspapers, Today Newspapers, Ltd, Arewa Printers, and Citizens Communications Nigeria, Ltd.<sup>102</sup>

These printing and publishing houses make their money through government purchases; in fact about 50% of sales are made through governmental agencies, and the remaining percentage is sold through publication and advertisements.

The furniture-making industry was established in Kaduna not because of the high purchasing power of the public, but more importantly because of the high demand by government. The first furniture industry was established in 1948 in order to provide furniture for the former regional government; in fact the former regional government was the largest purchaser of the furniture produced (80%).<sup>103</sup> The Moukarim furniture-making industry also had Kaduna State government customers, especially the Ministry of Education, the large single purchaser of their products

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<sup>101</sup> J. W Alexander, *Location of Manufacturing Methods of Measurement*, p. 297.

<sup>102</sup> Report on the Registered Industries in Kaduna, State Ministry of Commerce and Industry,

<sup>103</sup> National Archive, Kaduna, Op cit File No.383/s. 1/33, p. 23.

(67.5%).<sup>104</sup> Surgical products also had Kaduna State as the largest purchaser of its products, especially the Ministry of health (30%), and the Ahmadu Bello University teaching hospital with 27.5%; the rest (42.5 percent) are purchased by the state governmentS in the northern states.<sup>105</sup>

Initially, there were some industries established specifically to produce goods and services that would meet the need of markets in the region. The regional markets simply refer to the markets that are located within the Northern Region. Most of these industries are manufacturing industries, which produce in large quantity in order to meet the demand of the region. They include the textile, cement-asbestos, fertilizer, metal products and paper products factories, and the brewery. The output of these factors is distributed to various locations within the Northern Region. For example, the textiles industry makes most of its sales in Kano, and the famous markets at Kantin, Kwari, Maiduguri and Katsina, among others. Below is the textile mills distribution to various market centres per week, and the quantity of yards distributed as at 1976, the starting period for the present research.

**Table 2.1 Production and sale of mills as at 1976**

Textile Mills	Production per Week	Sales Markets Areas (%)		
		Kaduna, Zaria	Kano, Jos	Others
Kaduna Textiles	1.7m yards	15.0	85.0	-
United Nigeria Textiles	1.6m yards	18.0	75.0	7.0
Arewa Textiles	1.0m yards	15.5	83.0	1.5
Norspin Nigeria Ltd	0.75m yards	62.0	3.5	34.5
Nortex Nigeria	0.47m yards	32.0	68.0	-
Northern Nigeria Textiles	Na	20.0	80.0	-
Zamfara Textiles	0.3m yards	19.0	73.0	8.0

**Source:** Kaduna State Ministry of Commerce and Industry, I. D Sulemain, field work at various locations of textile mills in Kaduna, 19 February, 2015.

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<sup>104</sup>Ibid

<sup>105</sup>Ibid

The above table indicates the sales and production of textile mills within the Northern Region. According to the interviewee, the textile industry began to decline during this period. Details of the factors that led to the decline in textile production will be examined in Chapter Five of this study.

The fertilizer sold about 37.3% within Kaduna State, and the remaining percentage in the other states in Northern Nigeria. Below is the table that illustrates the fertilizer sales as at 1976.

**Table 2.2 The table Illustrates the fertilizer sales as at 1976**

State	Consumption	
	Tons	Percentage
North Central (now Kaduna and Katsina States)	36 120	37.3%
Kano State (now Kano and Jigawa states)	33 320	34.4%
North-West State (now comprises four states, i.e Sokoto, Kebbi, Nig.er and Zamfara)	12 470	12.9%
North-East State (now comprises six states, i.e Adamawa, Bauchi, Borno, Gombe, Taraba and Yobe)	10 260	10.6%
Benue Plateau State (now comprises three states, i.e. Plateau, Nasarraw and Benue )	4 270	4.4%
Kwara State (now comprises Kwara and Kogi states)	310	0.4%
Total	96 750	100.00

**Source:** Kaduna State Ministry of Commerce and Industry, List of industrial establishments in Kaduna State, 2015. See Institute for Agricultural Research, Samaru, Zaria. Also see I. D Suleiman, *Industrial Location in Kaduna*, 1975

The industries based on the national market: the only industry established to serve the national market is Peugeot Automobile Nigerian. It was initially established to assemble cars imported from France, the UK and the USA. The location of the factory was attributed to socio-political than economic factors. Production would be cheaper in Lagos because of the cost of transportation of the parts from the coast to the north. Details of this will be examined in Chapter Five of the study.

## **2.7 The Role of Railway**

The railway played a vital role in the establishment of industries in Kaduna. The Nigerian Railway Corporation traces its history to the year 1898, when the first railroad in Nigeria was constructed by the British colonial government. On October 3, 1912 the Lagos Government Railway and the Baro-Kano Railway were amalgamated, starting nationwide rail service under the name Government Department of Railways. By 1909 rail line had already reached Kaduna nearly forty years before the start of the process of establishing first textile industry. The initial motive of the establishment of railway by Colonial State was for their economic with purpose of transporting raw-material from hinter lands to interior for onward shipment to Europe and the America.<sup>106</sup>

During the establishment of industries raw-materials were one of the major considerations which supported the movement of raw-materials from various areas of productions to industrial area. Also the railway was used in transporting finished product from various industries to market.<sup>107</sup> In some place rail light lines were linked up with factories for either easy transportation of finished products or for convenience of the raw materials. For example, In Zaria, Nigeria Tobacco Company was linked direct with light rail line. Also in Kaduna at Kakuri industrial area where the large number of industries located rail line was placed at the centre of the industrial estate for transportation of finished product. According to Usman Abdullah<sup>108</sup> railway was used in transporting goods from various industrial areas in Kaduna and Zaria to other parts of

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<sup>106</sup> OP cit

<sup>107</sup> Ibid

<sup>108</sup> Confidential interview of Abdullahi Usman on 25<sup>th</sup> March, 2016, at Kaduna, former staff with UNTL

Nigeria<sup>109</sup> He further stated that railway was used in the transporting the finished product from factory to warehouses. It is estimated that Nigerian Railway Corporation operates a network of 3,505 kilometers (2,178 mi) of single track lines, all have 1,067 mm (3 ft 6 in) gauge. The network comprises the following lines: Lagos - Agege - Ifaw - Ibadan - Ilorin - Minna - Kaduna - Zaria - Kano, 1,126 kilometers (700 mi) Ifaw - Ilaro, 20 kilometers (12 mi)

- ❖ Minna - Baro, 155 kilometers (96 mi)
- ❖ Zaria - Kaura Namoda, 245 kilometers (152 mi)
- ❖ Kano – Nguru
- ❖ Kaduna - Kafanchan - Kuru - Bauchi - Maiduguri, 885 kilometers (550 mi)
- ❖ Kuru - Jos, 55 kilometers (34 mi)
- ❖ Kafanchan - Makurdi - Enugu - Port Harcourt, 737 kilometers (458 mi)
- ❖ Port Harcourt - Onne - gauge convertible sleepers.<sup>110</sup>

## **2.8 Industrial development Strategies**

This section examines the various industrial development strategies adopted by both the Federal Government of Nigeria and Kaduna State in particular. It should be noted that from the beginning the main focus of this study has been to examine the industrial development in Kaduna State. Therefore, it will be logical to examine it within the larger context of Nigeria. As we go further we shall narrow the study to Kaduna State. On the other hand, we shall expand the scope to all nooks and crannies within Kaduna State, with the aim of achieving a clear, comprehensive, and precise examination of its industrial development.

As we examined earlier in this chapter, both the Federal Government and Kaduna State implemented some strategies aimed at developing the industries of Nigeria, and Kaduna State in particular. Despite the apparent similarity between their policies and strategies, they are not the same. These strategies were adopted in different phases by both the federal and state government. The first phase was when Nigeria attained its independence, i.e. 1960-1968.<sup>111</sup> Some of the strategies could be found in the first national development plans. During the first phase of the strategic plan for industrial development new boards, agencies and institutions were

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<sup>109</sup>

<sup>110</sup> Op cit

<sup>111</sup> Federal Republic of Nigeria First National Development Plan, 1962-1968, 34-122.

established. These included the Nigerian Industrial Development Bank, Ltd (NIDB), the Industrial Development Finances Company (ICON), and the import substitution strategy.

The second phase was the period between the 1970s and 1990s. This period witnessed the introduction of various businesses, including the National Economic Reconstruction Fund (NERFUND), the Bank of Industry (BOI), the Nigerian Industrial Development Bank (NIBD), Nigeria the Nigerian Bank for Commerce and Industry (NBCI), Industrial and Insurance Brokers (IDIB), the Leasing Company of Nigeria, Ltd (LECON), Small and Medium Industries Equity Investment (SMIEIS), and Integrated Industrial Development (NIID).<sup>112</sup> In Kaduna State, there was the establishment of agencies, commissions and parastatals all aimed at the industrialization of the state. They included the Kaduna State Investment Company, the Kaduna State Ministry of Trade, Commerce and Industries, the Kaduna State Association of Chambers of Commerce and Industries, Manufacturing and Agriculture (NAKCCIMA),<sup>113</sup>

## **2.9 Conclusion**

This chapter has traced the historical process that led to the solid foundation for the establishment of industries in Kaduna State. It has demonstrated that the strategic location of Kaduna, being the former headquarters of the defunct Northern Region, played a vital role in the location of industries in Kaduna. However, the chapter has argued that the availability of markets, and raw materials needed for production in the industries contributed to the chosen of Kaduna for the location of industries. Various policies and laws that have aided in the establishment of industries in Kaduna have been examined.

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<sup>112</sup>Nigerian Enterprises Promotion Decree, p. 25.

<sup>113</sup>Kaduna State Ministry of Commerce, Trade and Industry, p. 43.

## CHAPTER THREE

### **The Role of Electricity and Labour in the Foundation of Industries, Analysis of Industrial Establishments in Kaduna State by Sector and Their Status**

#### **3.1 Introduction**

The chapter examines the role of electricity in industrial foundation in Kaduna. The issue of electricity and water supply in the foundation of industries in Kaduna played a critical role. No industry anywhere in the world could be established and survive without adequate energy that facilitates production. It could be said that energy is the backbone of industrial development. No meaningful economic activities can take place without an adequate supply of electricity, and this chapter examines the transmission and distribution system and management of electricity. Water is also very important for industrial processes, and the chapter examines the vital role played by water in the foundation and growth of industry in Kaduna. It traces the sources of water for industries and analyses the constraints created on industrial development owing to an inadequate supply. Labour being the backbone of industrial production, the chapter also examines its role in the foundation of industries in the area of study, and its composition, structures and sources in the various industries in Kaduna. Finally, the chapter critically analyses the status and nature of businesses in the various industrial establishments in Kaduna ranging through manufacturing, agriculture and food processing, textile, automobile, media and publishing companies, health and pharmaceuticals, mining, oil and petrochemicals, and the construction industry.

#### **3.2 Electricity**

For a better understanding of the history of the establishment of electricity in Nigeria, the historical evolution of electricity needs to be critically examined. In Nigeria the power industry came into existence in 1896<sup>115</sup> when the first power station was established, primarily for the purpose of streetlighting, and specifically to provide lights in the streets within the Government Reserve Areas (GRAs) mostly occupied by the colonizers.

This street lighting started in Lagos and other colonial settlements within Nigeria. However, with the passage of time the supply of electricity for lighting was extended to other parts of Nigeria. In fact by 1946, major cities in Nigeria had been supplied with electricity, including

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II. Ukpong, *Infrastructure and Economic Development*: A Case Study of the Electricity Industry in Nigeria, 1954-1974, p. 89.

Enugu, Warri, Calabar, Kaduna, Zaria, Kano, Jos, Maiduguri, Yola and Vom in the present Plateau State, They each had their electricity supply from a small, isolated station, and primarily for residential consumption and street lighting<sup>116</sup>. By 1946 there were major shifts in policy, and priority was given in electricity supply to some other places which were described by the colonial administration as very important to them.

The area of major focus in the supply was the Public Works Department (PWD) and the Native Authority (NA) buildings<sup>117</sup>. In most of the Native administrative areas, power supply was concentrated in the areas with high economic benefits. For example in Jos and Enugu tin mining areas were given special attention. In addition, the towns and cities where there were railway stations were also given attention in the supply of power. This was largely for the advantage of the colonial administration.<sup>118</sup>

With time, as the demand for electricity increased so its generation, distribution and transmission became more complex, and in order to have more efficiency in those processes a new body was formed between 1946 and 1947. The intention was to increase the supply. By 1950 the colonial administration had passed an ordinance known as the 'the Electricity Ordinance No.15' which compelled the modification of its function in order to meet the required capacity. By October, 1960, when Nigeria attained its independence from the British, the demand for electricity had drastically increased by about 20% annually.<sup>119</sup>

Therefore ECN was compelled to build the first 132KVA interconnection between the Ijola power station in Lagos and Ibadan power station.<sup>120</sup> The line was subsequently extended from Ibadan to Erinle and Akure. Other 132KV interconnections were constructed (1964-68) between Benin and Ughelli in south-western Nigeria, and Oji and Afam East in southern Nigeria, and from Kaduna to Zaria and Kano in Northern Nigeria. The first hydro-electric station in Nigeria was built in 1925, by a private tin mining company at Kwa Falls. At the time of installation it had a 2MW capacity. In 1929 the Nigerian electricity supply

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<sup>116</sup> A.S. Sambo, *Sustainable Energy Development in Nigeria: Status, Issues and the Way Forward for Power Sub-sector* (2009), pp.9-10.

<sup>117</sup> A. Philip, *A History of Electricity and Water Supply in Selected Northern Nigerian Cities: Comparative Study of Lokoja, Jos and Kaduna, 1900-1960* (2010), pp. 45-56.

<sup>118</sup> A.S. Sambo, *Sustainable Energy Development in Nigeria: Status, Issues and the Way Forward for Power Sub-sector* (2009), 12-17.

<sup>119</sup> *Op cit* Ukpong, (1976), p. 90.

<sup>120</sup> *Op cit* Philip, (2010), pp. 56-63.

corporation (NESCO) built a 4MW hydropower station at Kura Falls, about 60 kilometres south-west of Jos. The Niger Dams Authority (NDA) was established to build, operate, and maintain the dams. In 1962 the NDA was mandated to construct a hydropower station that would aid industrial development in Northern Nigeria, and Kaduna in particular. The Kaiji dam in present Niger state was studied for the possible construction of a hydro-power station that would supply high capacity in power generation. Therefore, after all due processes and a feasibility study, the Kaiji dam was equipped between 1967 and 1970 with transmission lines which had a capacity of 330KV, and linked up Kaiji to Kaduna and Lagos.

The whole idea of the extension to Kaduna was to ensure an adequate power supply for the industrial estates in Northern Nigeria and elsewhere. In ensuring such supply the Federal Government of Nigeria invited a Canadian company to come and study the nature, operation and structure of the the two energy companies, and recommend their possible merger. In 1970 the government Nigeria inaugurated Shawmon of Canada under the Canadian International Development Agency (CIDA). After spending nearly a year studying the various problems, and the possibility of merging the two independent companies (i.e ECN and NDA) in early 1971, the committee submitted its report to the federal military administration, recommending the merger of the two companies. They were duly merged under decree NO.24 of 1972 to form a new body called the National Power Authority (NEPA). The new body was mandated to operate, transmit, develop, maintain, generate, distribute and co-ordinate an efficient and economical system of electricity supply for all parts of the Nigeria<sup>121</sup>.

The main reason for this merger was to provide and supply adequate power required for industrial development in Nigeria. It was noticed during 1968 and 1970 a growing number of industries in Nigeria, and a serious power-shortage problem began to surface in the mid-1970s in industries like Ikeja, Apapa, Lagos, Kakuri, Zaria in Kaduna State, Sharada, Bompai and Challawa in Kano State, which necessitated the closure of some of them.<sup>122</sup>

The efficiency of power generation and distribution increased tremendously a few years after the merger of the two independent power companies. However, between 1975 and 1990 the NEPA added about 4 875MW of generation capacity to that inherited from the ECN and

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<sup>121</sup>. 1972 Military Decree No. 24, April, 1972, p. 6.

<sup>122</sup> Confidential interview with Abdullahi Mohammed, 2014. Also field survey in December, 2014.

NDA. The table below shows the Federal Government of Nigeria's commitments in the NEPA between 1975 and 1990.

**Table 3.1      Generated Capacity Added between 1975 and 1990 by Nigerian  
Electricity Power Authority**

S/N	YEAR	STATION	CAPACITY (MW)
1	1975	Delta	120
2	1976	Afam	95.6
3	1976	Kainji	200.0
4	1978	Kainji	200.0
5	1977	Sepele	220.0
6	1978	Delta	120.0
7	1978	Afam	110.0
8	1981	Sapele	300
9	1982	Afam	450
10	1985	Egbin	440
11	1986	Egbin	440
12	1986	Jebba	540
13	1987	Egbin	440
14	1989	Shiroro	150
15	1990	Shiroro	450
16	1990	Delta	600

**Source:**A.S Sambo *Sustainable Energy Development in Nigeria: Status, Issues and the Way Forward for  
Power Sub- sector* (2009), 14.

### **3.2.1 The Transmission and Distribution System of Electricity and Industrial Development in Kaduna**

Having examined the historical development of power generation, distribution, and transmission in Nigeria, we are going to examine the nature and pattern of power transmission and distribution in Kaduna with regard to the industrial estates, and examine the extent to which the generation and distribution of power aided in the industrial development of Kaduna or otherwise.

There are several scholars and professionals in the power sector who assert that adequate power generation is the backbone of industrial development. Professor Sani Sambo, the Nigerian Energy Director, has this view about the role of energy in industrial development:

Nigeria is a vast country with a total of 356 667 sq miles (923 768 sq km), of which 351 649 sq miles (910 771 sq km, or 98.6% of total area) is land. The nation is made up of six Geo-Political Zones subdivided into 36 states and the Federal Capital Territory (FCT). Furthermore, the vegetation cover, physical features and land terrain in the nation vary from flat open savannah in the North to thick rain forests in the south, with numerous rivers, lakes and mountains scattered all over the country. These national physical and political attributes themselves present challenges for the effective provision of power needs to all nooks and crannies of the country. To provide adequate power to ensure that Nigeria is among the industrialized nations, three critical activities must be effectively achieved. • Adequate power must be generated; the power must effectively be transmitted to all parts of the country; and finally be efficiently distributed to the consumers.<sup>123</sup>

He argues that since development and population growth in any country are highly dynamic, these three activities must be addressed in a dynamic, creative, and logical manner. Adequate power supply is an unavoidable prerequisite for any nation's development, and electricity generation, transmission, and distribution are capital-intensive activities requiring huge resources of both funds and capacity. He also argues that Nigeria has the resources and capacity to generate and distribute energy. In the prevailing circumstances in Nigeria where funds are progressively dwindling, creative, and innovative solutions are necessary to address the power supply problem.<sup>124</sup>

In line with the above analysis, one will understand the critical role played by energy in industrial growth in Nigeria and anywhere else in the world. It is worth noting that there is too much importance attached to power generation and distribution. If the government would supply and distribute energy at lower cost, these lower costs would attract more customers,

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<sup>123</sup> Op cit Sambo et al, (2009), p.1

<sup>124</sup> A. S. Sambo, B. Garba, I. H. Zarma and M. M. Gaji, *Electricity Generation and the Present Challenges in the Nigerian Power Sector*, Abuja:Energy Commission of Nigeria, Nigeria2009, p. 2.

<sup>150</sup>U.B. Bindir, paper presented at the Conference on the North and Strategies for Sustainable Development, Arewa House, Kaduna, Nigeria, December, 2012, p. 12.

making even larger-scale production possible. However, the practicable size of boilers, turbines and other machinery is limited by the ability to manufacture and transport them to a plant site.<sup>125</sup> The clear distinction between transmission and distribution needs to be carefully understood. Both distribution and transmission refer to the transportation of electricity, while distribution refers to the supply of power to retail customers. The distribution lines normally run from sub-stations through the distribution line network. The major difference between transmission and distribution arises from the issue of resistive power loss, and the fact that power can be reduced by increasing the operating voltage of a line. In addition, the final distribution of electrical power supply to retail customers occurs over relatively short distances, but longer distances are typically associated with electrical transmission between power plants or between power generators and the sometimes remote communities they serves.<sup>126</sup> Therefore one would expect to find high operating voltages to be a characteristics of transmission lines. Actually, transmission line voltage is normally 115 000 volts (115 kilovolts) (kv) or higher.<sup>127</sup>

### **3.3 Labour**

The role played by labour in the foundation of industries in Kaduna State cannot be over-emphasized. The location of Kaduna has contributed immensely to attracting labour, as pointed out in the previous chapter. Kaduna is very different from other traditional cities of the north, where migrants and other visitors are not welcome. Kaduna welcomes everybody, irrespective of social, political, economic, and religious affiliations. This gives the city an advantage over other cities in the north and the rest of the country, making Kaduna a cosmopolitan city. In terms of land acquisition for both residential and industrial purposes, there were no problems.<sup>128</sup> Non- discrimination against migrants contributed in the inflow of labourers to Kaduna, and the location of the College of Science and Technology also contributed immensely, particularly in the training and supply of skilled labour. There were also other institutions such as the Staff Development Centre, the Staff Training School and the Federal Training Centre for the training of clerical and professional cadres, which trained

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<sup>125</sup>J.C. Molburg, etal. *The Design, Construction and Operation of Long-distance High Voltage Electricity Transmission Technologies*, p. 1.

<sup>126</sup> I Ahmed A *History of Urban Infrastructure in Nigeria: A case study of Kaduna Metrolipolis, 1960-2007*, p.85

<sup>127</sup>*Ibid.*, pp. 1-3.

<sup>128</sup> A. K. Mobogunje, *Urbanization in Nigeria*(1968), p. 318.

a significant number of staff who were willing to take jobs anywhere in the north, as at the time only Kaduna had an industrial layout that could accommodate such huge numbers.<sup>129</sup>

These institutions graduated a number of middle cadre people who had middling qualifications. In fact about 81% of the labour force was primary school leavers, who were extremely mobile in their search for jobs, and above all, with their average age of 23 they werenot likely to have family burdens at home. Many of such job seekers picked jobs in various industries in Kaduna at any given wage.<sup>130</sup> Another reason that made labour available and cheaper in Kaduna, was that the wage differentials in other parts of the country were not so significant as to influence the mobility of labour from one geographical location to another in search of high wages. The table below compares wages and salaries to skills in the three industrial areas of Nigeria, i.e Lagos, Northern Nigeria and western Nigeria:

**Table 3.2 Comparative Wages and Salaries in Three Industrial Areas in Nigeria as at 1967**

	Skills	Wages and Salaries (in N)			National Average
		Lagos	Western	Northern	
1	Professional and managerial	2 416.0	2 246.0	1 484.4	2,04 8.80
2	Clerical	661.4	580.4	504.6	582.13
3	Skilled and semi-skilled	431.8	373.8	337.0	380.87
4	Unskilled	241.8	247.4	207.0	232.10
5	Non-Nigerian	5 874.0	5 520.0	4 694.0	5 262.67

**Source:** Industrial survey, 1967, Pp.15-17

From the above analysis one can understand why most of the labourers from the North were not willing to move to either Lagos or states within the western region for industrial work, because the difference in wages and salaries was not a great deal. However, the differences exist where there is a high cost of living. For example, the cost of living in Lagos is three times that of Kaduna. It should be noted that the number of graduates and unskilled workers

<sup>129</sup> Op cit Usman Isa, 2015.

<sup>130</sup> K. Hinchliffe Kaduna Textile Workers(1972), pp. 27-37.

who were willing to take a job at any given wage had contributed greatly in the establishment of industries, that took advantage of the cheapness of labour to grow and develop.

### 3.3.1 The Structure of Labour

The structure of labour in Kaduna is quite unique, which is why some scholars argue that this has greatly contributed in the establishment of industries in Kaduna. The structure comprises professionals who were mostly expatriates, and served at managerial and technical levels, while skilled and unskilled workers were Nigerians who worked in factories and other, minor enterprises in the industrial establishments in Kaduna. Research has shown that the number of expatriates was about 27% above the national average, which was supposed to be 2.5% based on Nigerian labour law,<sup>131</sup> and Nigerian professionals and managerial cadres were just 2.0%, which was below the national average. Since expatriate labour costs were higher than the Nigerian; the cost of industrial labour in Kaduna was higher than the national average. However, employment in the clerical sector was below the national average of only 12%, and for the operatives (skilled and unskilled) at 87% it was above the national average of 83%. This was because textile mills were the major employer of industrial labour in Kaduna, which was traditionally known for its fairly high level of unskilled labour. The table below shows the labour structure in Kaduna, comprising non-Nigerians, and Nigerian professional, managerial and clerical staff, and skilled and unskilled labour.

**Table 3.3 The Labour Structure of Kaduna**

Industry	Non Nigerian	Nigerian Professional & Managerial	Clerical	Skilled	Unskilled	Total	Percentage
Textiles	370	108	860	8 266	4 596	14 200	77.23
Printing & publishing	6	45	247	606	192	1 096	5.96
Automobile company	50	98	42	360	50	600	3.26
Brewery	8	16	125	173	180	502	2.73
Metal Products	12	12	30	280	116	500	2.72
Surgical Products	11	9	40	120	180	360	1.96
Furniture Making	6	6	19	175	124	330	1.79
Cement Asbestos	3	5	39	28	233	308	1.68
Fertilizer	40	68	18	90	44	260	1.41
Baking	-	2	13	52	69	136	0.74

<sup>131</sup>Federal Office of Statistics, and Ministry of Trade and Commerce, Kaduna (2014).p.54.

Paper Products	3	3	9	13	50	78	0.42
Industrial Gases	1	-	1	9	6	17	0.10
<b>Total</b>	<b>510</b>	<b>372</b>	<b>1 443</b>	<b>10 172</b>	<b>5 890</b>	<b>18 387</b>	<b>100.00</b>
<b>% of Labour</b>	<b>2.77</b>	<b>2.03</b>	<b>7.85</b>	<b>55.32</b>	<b>32.03</b>	<b>100.00</b>	

**Source:** Federal office of Statistics, and Ministry of Trade and Industry, Kaduna, 1980

### 3.3.2 Source of Labour

The source of labour played a significant role in the establishment of industries in Kaduna. The industries derived most of their labour from three zones of Nigeria: the North-West, which includes Kaduna, Kano, Zamfara, Sokoto, Kebbi, Katsina and Jigawa; North-Central, which includes Kwara, Kogi, Niger, Nassarawa, Plateau and Benue; and South-Western Nigeria, which includes Lagos, Oyo, Ondo, Ogun, Osun and Ekiti.<sup>132</sup> However, there were other states that supplied labour: these included Adamawa, Gombe, Bauchi, Taraba, Borno and Yobe. Other states were Rivers, Akwa-Ibom and Delta, but the labour they supplied was negligible.<sup>133</sup>

It should be noted that in terms of industrial labour supply to Kaduna, four ethnic groups dominated the sector: Igala, Idoma, Tiv and Yoruba. These ethnic groups constituted 51% of the total industrial labour force,<sup>134</sup> with Hausa constituting only 4.9%, despite the fact that the industries are located in the Hausa heartland, and Hausa are the largest population group in Nigeria. Another ethnic group that were underrepresented was Gwari, who are the most numerous group around Kaduna, and yet constitute only 3% of industrial labour in Kaduna.<sup>135</sup> The table below shows the composition of industrial labour in Kaduna:

<sup>132</sup>Field survey, and K. Hinchliffe, "Kaduna Textile Workers" (1973), pp. 27-37.

<sup>133</sup>Op cit, Hinchliffe (1973) pp. 27-37.

<sup>134</sup>Ibid., pp. 37-40.

<sup>135</sup>Field survey, and interview conducted with former employee of textile industry at Labour House, 2015.

**Table 3.4 The Source of Labour in Kaduna**

State of Origin	Work Category in Percentages		
	Daily Paid	Technical	Clerical
Benue, Nassarawa, Plateau	35.6	25.3	13.1
Kwara, Kogi	25.2	33.8	26.2
Nig.er, Sokoto, Kebbi, Zamfara	12.5	10.7	5.5
Born, Bauchi, Adamawa, Taraba, Yobe, Gombe	8.9	9.9	4.8
Kaduna, Katsina	6.0	8.3	34.6
Oyo, Ondo, Osun, Eki	3.1	1.6	0.0
Anambura, Imo, Enugu, Akwa-Ibom	2.6	5.7	10.3
Ogun	2.5	1.7	4.1
Imo	2.4	0.7	0.0
Kano	1.0	1.6	0.0
Lagos	0.1	0.0	0.0
Rivers	0.1	0.7	1.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Source:** K. Hinchliffe, "Kaduna Textile Workers", *Savanna*, .2 (1) (1972): 32.

Plateau, Kogi and Nassarawa contributed 35.6% of the daily paid, 25.3% of the technical workers, and 13.1% of the clerical workers. The pattern almost repeated itself in the case of the technical workers, and of the clerical workers Oyo, Ogu, Osun and Lagos provided about half the labour together with Kwara, Kogi, Plateau and Nassarawa. This pattern can be attributed to the entry requirements of labour, in which over 80% were Primary Certificate holders. Apart from entry requirements, educational superiority and proximity to Kaduna contributed immensely.

### 3.4 List of Industrial Establishments in Kaduna State based on Sectors and their Status

This section of Chapter Three examines the various types of industry located in Kaduna, It should not be forgotten that there are 23 administrative local governments;<sup>136</sup> therefore the industries are spread all over the state with concentration in Kaduna metropolis and Zaria town. It also analyses the various nature industries as well as their addresses, from the

<sup>136</sup>Kaduna State Profile (2010), pp. 1-10.

research conducted by the present researcher it was found that there are 385 different types of industry within the 23 local government units. Of this number only 170 are operating, representing 47.48%, 62 collapsed completely, representing 16.1%, and 85 are operating at very low capacity, which represents 22.07% . 36 are dormant, which represents 9.35%. They are categorized in different sectors, including textiles, food and agricultural processing, confectionary, manufacturing, automobile, media and publishing, health and pharmaceuticals, mining, oil and petrochemicals, transport, construction and others. The section also examines ownership. There were a number of these industries owned by the federal and Kaduna State governments, with the rest owned by private individuals. We shall examine the year of the establishment of these industries.

### **3.4.1 Textiles Industry**

There are eleven (11) textiles industries in Kaduna. Of that number only one is operational at very low capacity, representing 9.10%, , while 10 have closed down, representing 90.90%. The table below shows the status of the textile industries as at 2010, i.e those that had closed, and the one operating at lower capacity.

**Table 3.5 Current status of textiles industries in Kaduna as at 2010**

S/No	Name of Establishment	Location and Address	Nature of Business	Operational Status
1	Poly Fibre Industries Ltd.	C3, Kudenda Ind. Area Kaduna	Poly Prop lane Processing	Close Down
2	SRC Company, Kaduna	Kudenda Kaduna	Textiles	Closed Down
3	Nortex Nigeria Textiles Ltd.	Textiles Road, Kakuri, Kaduna	Manufacturing	Closed Down
4	Finetex Nigeria Textiles Ltd	Plot 9c Inuwa Abdulkadir Road, Kakuri, Kaduna	Manufacturing	Closed Down
5	Super Tex Textiles (Nig.) Ltd	Textiles Road, Kakuri, Kaduna	Manufacturing	Closed Down
6	United Nigeria Textiles Plc	Nasarawa Road, Kakuri, Kaduna	Manufacturing	Operational at lower capacity
7	Arewa Textile Nigeria Ltd	Textiles Road, Kakuri, Kaduna	Manufacturing	Closed Down
8	Kaduna Textiles (Nig.) Ltd	Textiles Road, Kakuri, Kaduna	Manufacturing	Closed Down
9	Unitex Nig. Ltd.	Kachia Road, Kaduna	Manufacturing	Closed Down
10	Chalco Industry, Ltd.	Kudenda Ind. Layout, Kaduna	Manufacturing	Closed Down
11	Harco Textile Industry	No.22 Chikaji Industrial Area. Zaria	Manufacturing	Closed Down

**Source:** Fieldwork, and Department of Industry, Ministry of Industry Kaduna State.

### 3.4.2 Manufacturing

In the manufacturing sector of the industries in Kaduna State there are currently 192 industries at various locations within the state. mostly within Kaduna metropolis, Zaria, Ikara, Kafanchan, Makarfi and other local governments within Kaduna. These industries include heavy manufacturing, small-scale, medium and large industries. Of the total number of 192, only 61 (31.77%) are currently operational. 80 (41.66%) are operational at very low capacity, 16 (8.33%) are dormant, and 35 (18.22%) were already collapsed completely/

It should be noted that the most affected, i.e closed or dormant industries are government establishments such as the Federal Super Phosphate Company, Zaria Industries, and the Electric Meter Company. The operational industries are largely small and medium industries owned by private individuals. The next chapter will examine why mostly large industries closed. The table below shows the present status of manufacturing industries, large, medium

and small. It comprises public and privately owned industries as at 2010, i.e. those already closed, the dormant and operational, and those operating at low capacity.

**Table 3.6 Current status of manufacturing industries in Kaduna as at 2010**

S/No	Name of Establishment	Location and Address	Nature of Business	Operational Status
1.	Federal Super Phosphate Fertilizer Company Ltd.	4, Nasarawa Road Kad. South Ind. Area	Chemical Processing	Closed Down
2	Ideal Flour Mills (Nig.) Ltd.	Kad. Eastern Bye-Pass, Kudenda Ind. Area	Food Processing.	Closed Down
3	West African Bitumen Emulsion Company Ltd.	Plot 11, Maicibi Close Box 3839 Kakuri Kaduna	Chemical Processing	Low Capacity
4	Roofco (Nig.) Ltd.	Plot L14, Kachia Road, Kakuri Industrial Area, P.M.B. 2207 Kaduna 062-243341	Aluminium Fabrication	Closed Down
5	Jafco Industrial Ltd.	C9 Inuwa Abdulkadir Road, Kakuri, Kaduna 062-234112	Manufacturing	Low capacity
6	United Wire Products Ltd.	Inuwa Abdulkadir Road, Kakuri, Kaduna	Wire Processing	Low Capacity
7	NOCACO (Nig.) Ltd	Inuwa Abdulkadir Road, Kakuri, Kaduna	Electric Cables Production	Operational
8	Queensway Aluminium (Nig.) Ltd	Plot 9c Inuwa Abdulkadir Road, Kakuri Kaduna	Aluminium Fabrication	Operational
9	Tower Galvanised Products (Nig.) Ltd.	Plot 9c Inuwa Abdulkadir Road, Kakuri, Kaduna	Aluminium Metal Fabrication	Operational
10	Sunglass Company (Nig.) Ltd	Kudenda, Kaduna	Manufacturing	Operational
11	Chelco Industries (Nig.) Ltd	Nnamdi Azikwe Way, Kudenda Kaduna	Manufacturing	Closed Down
12	Berec (Nig.) Ltd.	Kaduna		Closed Down
13	Moukarim Industries (Nig.) Ltd.	Keffi Road, Kaduna	Manufacturing	Closed Down
14	Leman Industries (Nig.) Ltd.	Nasarawa Road, Kakuri, Kaduna	Manufacturing	Closed Down
15	Kaduna Crown Cork Manufacturing Company (Nig.) Ltd.	Kakuri-Kaduna	Manufacturing	Closed Down
16	Eternal Electrical Engineering Works (Nig.) Ltd.	Kakuri Industrial Area, Kaduna	Manufacturing	Closed Down

17	Bus And Refrigerated Van Manufacturing Ltd.	5, Ahmad Talib Avenue Box 428,Kaduna	Manufacturing	Closed Down
18	Muktar Foam Company (Nig.) Ltd.	Inuwa Abdulkadir Road, Kad. South	Manufacturing	Closed Down
19	Solar Foam And Chemicals Company (Nig.) Ltd.		Manufacturing	Low Capacity
20	Shempate Industry,(Nig.) Ltd	9.13 Maichibi Close Kakuri, Kaduna	Manufacturing	Closed Down
21	Safa Foam Company (Nig.) Ltd.	No.2 Maichibi Close Box 934,Kaduna	Manufacturing	Closed Down
22	Defence Industries Corporation	No.45 Ahmadu Bello Way, Kaduna	Manufacturing	Dormant
23	Alcan Aluminium Company, Ltd.	Kaduna	Manufacturing	Dormant
24	Auto Parts Industries (Nig.) Ltd.	Kaduna	Manufacturing	Closed Down
25	Unisteel Works Ltd	Textiles Road, Box 4004 Kakuri Ind. Area Kaduna	Manufacturing	Dormant
26	Coast Plastic Ltd.	Kaduna	Manufacturing	Closed Down
27	Turners Building Products (Arewa) Ltd.	19/20 Kakuri Ind. Estate Box 347, Kad.	Manufacturing	Operational
28	Ugochukwu Chemical Ind. Ltd	Nassarawa Road, Kakuri, Kaduna.	Manufacturing	Dormant
29	Starsteel (Nig.) Ltd.	Rabah Road, Malali Kaduna062-214287	Manufacturing	
30	Technoplastic (Nig.) Ltd.		Manufacturing	Closed Down
31	Comrade Cycles (Nig.) Ltd.	29,Ibrahim Makama Road, Chikaji Industrial Area Zaria	Manufacturing	Operational
32	Electric Meter Company, Ltd.	Chikaji Industrial Area, Zaria	Manufacturing	Closed Down
33	British American Tobacco (Nig.) Ltd.	Chikaji Industrial Area, Zaria	Production Of Cigarette	Low Capacity
34	Zaria Industries Ltd.	Old Jos Road, Dakace Ind. Area, Zaria	Manufacturing	Low Capacity
35	First Aluminium (Nig.) Ltd.	Kaduna	Aluminium Fabricating	Closed Down
36	Critical Hope (Nig.) Ltd.	Kachia Road, Kaduna	Aluminium Fabrication	Low Capacity
37	Eslon (Nig.) Ltd.	Plot No.8,Inuwa Abdulkadir Road, Kaduna	Manufacturing Pvc Pipers	Operational
38	R.H. Plastic (Nig.)	Plot 2 Tanko Jafa'aru	Manufacturing	Operational

	Ltd.	Close Behind P.A.N. Ltd. 062-232656,Kaduna		
39	ABG Electronic Ltd	Nnamdi Azikwe Way, Kudenda, Kaduna	Manufacturing	Closed Down
40	Arewa Metal Containers Ltd (ARMECO)	1,Mohammed Ladan Rd, Kakwau- Kaduna.	Metal Fabrication	Dormant
41	A-Z Furniture Factory, Ltd.	Kachia Road, Kaduna	Manufacturing	Operational
42	Kaduna Furniture And Carpeit Company (Kfcc) Nig. Ltd.	15 Inuwa Abdulkadir Road, Pmb 2224,Kaduna 062-230090-3	Manufacturing	Dormant
43	International Parts Industry, Ltd.	103.Kanji Road, Kaduna	Manufacturing	Closed Down
44	Kaita Brothers Toilet/Tissue Papers Manufacturing	No.11 Kano Road, Kaduna	Manufacturing	Closed Down
45		Abuja Road, Junction Kaduna	Manufacturing	Closed Down
46	Brossette Manufacturing (Nig.) Ltd.	4. Maichibi Close, Kakuri Ind. Estate, Box 6514 Kaduna	Manufacturing	Closed Down
47	Motor Parts Industry (Nig.) Ltd.	Kaduna	Manufacturing	Closed Down
48	General Metal Products (Nig.) Ltd.	Textiles Road, Kakuri-Kaduna	Manufacturing	Dormant
49	John Holt Agric Engineering	No.2 Yero Avenue Chikaji Industrial Estate 069-33041	Conglomerate	Closed Down
50	Zarewa Aluminium (Nig.) Ltd.	Zaria Express Way Kwo Kaduna	Manufacturing	Operational
51	Mutunci Pipes Company (Nig.) Ltd.	Kudenda, Kaduna	Manufacturing	Operational
52	Nigeria Automotive Parts Company Ltd.	24.Inuwa Abdulkadir Road, Kakuri Industrial Estate, Box7101,Kaduna	Manufacturing	Closed Down
53	Northern Cables Processing Company (Nococo) Nig. Ltd.	Kakuri Kaduna	Manufacturing	Operational
54	Reliance Equipment Manufacturing Ltd.	Maicibi Road, Kakuri Ind. Area	Manufacturing	Operational
55	Unity Metal Products Ltd.	Kaduna	Metal Construction	Closed Down
56	Mab Cables Industry Ltd.	Kachia Road Kaduna	Cable Manufacturing	Operational

57	Hospital Engineering (Nig.) Ltd.	6a,Kabala Close Off Gobarau Road, U/Rimi, Kaduna 062-246197	Metal Constructions	Closed Down
58	Nigeria Engineering Works, Ltd.	Zaria		Closed Down
59	Kemson (Nig.)Ltd	B26,Faki Road Kaduna	Furniture	Closed Down
60	Incar (Nig.) Ltd.	Ahmed Talib Road, Kakuri, Kaduna	Metal Construction	Closed Down
61	Burem (Nig.) Ltd.	Ahmed Talib Road, Kakuri, Kaduna	Metal Construction	Operational
62	Nig.er Aluminium Manufacturing Ltd.	Kaduna	Aluminium Construction	Dormant
63	Prime Power	Kachia Road, Kaduna	Engineering	Closed Down
64	Tonny Precious Manufacturing Technical Company (Nig.) Ltd.	No9,Inland Railway, Kadunas	Agro-Allied Machines Fabrication	Dormant
65	A.A.M Plastics, Ltd	Cc Ia, Nnamdi Azikwe Bye Pass, Kaduna	Trade/Manufacturing	Operational
66	M-Cee Cleaning Chemicals Ltd.	Rb18,Nnamdi Azikiwe Express Bye Pass 062-401093,0803048474	Manufacturing\Preparation	Operational
67	Sonostar International, Ltd.	Nnamdi Azikiwe Express Bypass, Kaduna.	Manufacturing	Dormant
68	Cedar Industrial Company, Ltd	20,Gwari Close, Kawo New Extention,Kaduna	Fabrication	Operational
69				
70	Wictech Industries (Nig.) Ltd.	Nnamdi Azikiwe Express Bye Pass, U/ Romi Junction, Kaduna.	Aluminium Fabrication	Operational
71	Zaria Industries (Nig.) Ltd.	Along Oil Jos Road, Zaria	Manufacturing	Low Capacity
72	Metriscope (Nig.) Ltd.	26/28,Wafe Road Box 347,Zaria	Manufacturing	Dormant
73	A.A.Bros Int. Furniture Company (Nig.) Ltd.	V.51 Dutsima Street, T/Wada Box 6049,Kaduna	Manufacturing	Low Capacity
74	Abdullahi Danasabe Carpenters	Layin Danauta Kuyello Village, Birnin Gwari	Manufacturing	Low Capacity
75	Aduwa Maisamari Capentry Work	Railway Station Road Kagoro, Box 84	Manufacturing	Low Capacity
76	Akin Furniture Works	2,Kawo Str. Kawo Kaduna	Manufacturing	Low Capacity
77	Aula Furniture (Nig.) Ent.	New Market Road Birnin Gawri.	Manufacturing	Low Capacity
78	Awah Furniture Company	Hh10 College Road, U/Dosa Box 3077	Manufacturing	Operational

79	Ayeni Work And Spray (Nig.) Ltd.	3, Rail Way Road Kafanchan, Box 34.	Manufacturing	Low Capacity
80	Baka Foam (Nig.) Ltd.	Kaduna Road, Zaria Box 181	Manufacturing	Closed Down
81	Basic Home Class Furniture (Nig.) Ltd.	29 Ishkaita Road, Kaduna Gra Box 33493.	Manufacturing	Operational
82	Dandy Furniture Company, Ltd.	1 Dankama Road, Box 4490, Kaduna	Manufacturing	Low Capacity
83	Dave Jims Furniture Company Ltd.	Bz,138 Sardana Crescent Kaduna	Manufacturing	Low Capacity
84	Dona Bright Furniture (Nig.) Ent.	18, College Road, U/Dosa Kawo Kaduna	Manufacturing	Low Capacity
85	Emag International Furniture.	Bbi, Nupe Road/Abeokuta Street Kaduna.	Manufacturing	Low Capacity
86	Felix Diki Furniture Work	95 Kawo Street Kafanchan.	Manufacturing	Low Capacity
87	Gatama (Nig.) Ent.	Aa1, Abeokuta Street, Kaduna	Manufacturing	Low Capacity
88	Hope Ventures	Bg13, Nnamdi Azikiwe Way, Kaduna	Manufacturing	Low Capacity
89	Kudami Gen. Ent.	14 Ahmadu Bello Way ,Kaduna	Manufacturing	Low Capacity
90	Letco Co. Ltd.	M1, Ahmad Bello Way Box 1788, Kaduna 062-239456	Manufacturing	Low Capacity
91	Nakowa Furniture (Nig.) Ltd.	23, New Market, Market Road ,U/Dosa Kaduna	Manufacturing	Low Capacity
92	Okpella Furniture Works	Opp, Narayi Junction 1031 Kaduna	Manufacturing	Low Capacity
93	Orhil Technical Group	54, Shagari Road Narayi, Kaduna.	Manufacturing	Low Capacity
94	Rahamaniya Furniture Works	13, New Market Road, Badarawa, Kaduna	Manufacturing	Low Capacity
95	Samson Akaito Carpenter Work	18, U/Rimi Road, Kafanchan	Manufacturing	Low Capacity
96	Sir King Modern Furniture	94, Kawo Street Kafanchan	Manufacturing	Low Capacity
97	Tola Bike Business Ent'l Comp (Tbic) (Nig.) Ltd.	A7, Junction Road, Box 1179, Kaduna 062-240426	Manufacturing	Low Capacity
98	Wood Peaker Furniture Work	17 Galadima Street A/Yelwa Television Kaduna.	Manufacturing	Low Capacity
99	Yakubu Chawai Carpenter Workshop	84 Ibadan Street Kafanchan	Manufacturing	Low Capacity
100	Rigidpak Containers (Nig.) Ltd.	It3, Oil Jos Road, Box 886, Zaria, Kaduna	Manufacturing	Low Capacity

101	Kazoga (Nig.) Ltd.	113,Katsina Road, Box 7993,Kaduna.	Manufacturing	Low Capacity
102	Abdulrahman Printers and Publishers (Nig.) Ltd.	B530,Matazu Road, T/Wada Box 4231 Kaduna	Manufacturing	Low Capacity
103	Fertilizer and Chemical(Nig.) Ltd.	1 Ahmadu Doka Street, Kaduna 062-215481	Chemical	Low Capacity
104	Lion Plastics	17, Shagari Road, Badarawa, Kaduna	Plastics	Low Capacity
105	Climax Aluminium Products Ltd.	18,Gamagiri Road, T/Wada Kaduna	Metal Construction	Low Capacity
106	SA Metal Construction Work	5/54,K/Mash Market, Kaduna	Metal Construction	Low Capacity
107	Alh. Adamu Ali Blacksmith	Ps 1092,Enugu Road, Oil Panteka, Kaduna	Metal Construction	Low Capacity
108	Alh. S.A. Ibiyeye Metal Construction	B.23 Yoruba Road, Box 214175	Metal Construction	Low Capacity
109	Cimosteel Construction Company	Halima Junction Along Kachia Road, Kaduna 062-235158	Metal Construction	Low Capacity
110	John Awan Esto Metal Company	1, Achi Road, Box 171 Kagoro.	Metal Construction	Low Capacity
111				Low Capacity
112	Braws Aluminium Products	46, Achina Stree U/Yalwa Telev. Box 5414,Kaduna	Metal Construction	Low Capacity
113	Danhama Aluminium Products	Fa1 Ibrahim Taiwo Road, T/Wada Kaduna	Metal Construction	Low Capacity
114	Modular Aluminium Fabrication Ltd.	18 Inuwa Abdulkadir Road Kaduna	Metal Construction	Low Capacity
115	Sa- Aim Aluminium Products Ltd.	116 Badiko N/Extension, Box 7716,Kaduna 062-2416781	Metal Construction	Low Capacity
116	Ag-Tech Ltd.	3 Rail Way Avenue	Manufacturing	Operational
117	Mr. Emma Metal Construction (Nig.) Enterprises	Opp. Ikara Local Gov. Secretariat Tashan Adamu, Auchau	Metal Construction	Low Capacity
118	Alh Saninkada Metal Works (Nig.) Ltd.	Market Road, Auchau	Metal Construction	Low Capacity
119	Shua'ibu Musa Metal Works	T/Wada	Metal Construction	Low Capacity
120	Alh. Mohammad Sani (Gg) Metal Construction	Near Salisu Cheza House, Makarfi, Kaduna.	Metal Construction	Low Capacity
121	Magaji Launi Furniture	Sarkin Yaki Road Kari Makarfia	Manufacturing	Low Capacity
122	Alh. Abdullahi	Layin Pompo T/Wada	Manufacturing	Low Capacity

	Umar Furniture	Makarfi		
123	Alh. Alhassan Rabo Saidu Chikaji (Nig.) Ltd.	Kasuwam Mata,Wajenyan Gado, Zaria, Kaduna	Manufacturing	Low Capacity
124				Low Capacity
125	Bashir Hamed Ventures Ltd.	Timber Market Sabon Gari	Manufacturing	Low Capacity
126	A.I Ventures (Nig.) Ltd.	Timber Market Sabon Gari-Zaria	Manufacturing	Low Capacity
127	Jibrin Carpentry Works	Ksa 46 Kasuwan Mata Timber Shed Sabon Gari-Zaria, Kaduna.	Manufacturing	Low Capacity
128	Nasara Metal Works	No.7timber Market, S/Gari Zaria.	Manufacturing	Low Capacity
129	Muhammad Sirajo Ventures Ltd.	Timber Market, S/Gari Zaria.08025476163	Manufacturing	Low Capacity
130	Paterson Zochonis Industries Plc.	Plot F1,And F2,Kaduna Road, S/Gari –Zaria, Kaduna.	Conglmerate	Closed Down
131	A.J.A. Furniture's	Aliyu Road T/Wada Zaria, Kaduna State.	Manufacturing	Low Capacity
132	Harmony Shoes (Nig.) Ltd.	No.7 Cresent Road Sabon Gari, Zaria	Manufacturing	Low Capacity
133	Leto Sanitary Products (Nig.) Ltd.	24 Inuwa Abdulkadir Road, Kakuri, Kaduna	Manufacturing	Low Capacity
134	Ochu's Garden City Industry (Nig.) Ltd.	Nasarawa	Manufacturing	Operational
135	Kaduna Machine Works Ltd.	Inuwa Abdulkadir Road Kakuri	Fabrication	Operational
136	O-Ptus Furniture (Nig.) Ltd.	Inuwa Abdulkadir Road Kakuri	Manufacturing	Operational
137	Seepco (Nig.) Ltd.	Kaduna	Manufacturing	Operational
138	Pan Orobica Strucres (Nig.) Ltd.	Nnamdi Azikwe Bye Pass U/Mu'azu Ind. Layout	Metal Construction	Operational
139	Aliyu Technical And General Enterprises	Yan Karfi New Market, Kaduna Kano Express Way Zaria	Technical/Engineering	Operational
140	Bazamri Pvc Tiles (Nig.) Ltd.	No.1&2 Kachia Nnpc Road, Sabon Tasha P.O. Box 85 Kaduna	Manufacturing	Operational
141				Operational
142	Nasara Metal Works	No.7 Plask-Shed Sabon Gari Zaria	Metal Construction	Operational
143	Progressive Modern Furniture Ltd.	No.1shehu Road Km6 Kaduna Zaria Road, Rigachukun	Manufacturing	Operational
144	F.A Ofokosi Technical Works Ltd.	No Sokoto Road, Kwangila Opp. Zaria Hotal Zaria	Fabrication	Operational

145	Chikaji (Nig.) Ltd.	No.1 Chikaji Road Sabon Gari Zaria	Soap Production	Dormant
146	David Modern Furniture	Kaduna Zaria Express Way Opp. Strkeforce Kaduna.	Manufacturing	Low Capacity
147	Everlasting Hands Investment Ltd.	26bschool Road, K/Mashi Kaduna	Manufacturing	Low Capacity
148	Speres Workshop Enterprises	Shop No. 32/33 Aminu Rd. Sabon Gari Zaria.	Manufacturing	Operational
149	A.J.A Furniture and Company (Ltd.) Ltd.	No. Hospital Road, T/Wada Zaria	Manufacturing	Operational
150	Jali Trading Company.	Nod 10 Kakuri Road Zadi Plaza Kaduna	Production Of Detergent	Dormant
151	Almaso Industries	No.7 Abuja Street T/Wada Sabo	Production Of Soap/Detergents	Low Capacity
152	Kudami (Nig.) Ltd	No. 14 Ahmadu Bello Way, Kaduna	Manufacturing	Operational
153	Ngotech (Nig.). Enterprises.	Hayin Banki By Lafiya – Bus Top Kawo – Kaduna.	Industrial Equipment	Operational
154	Sanbell Industries (Nig.). Ltd.	No. 5 Ptf Road Hayin Banki, Kawo – Kaduna.	Manufacturing	Dormant
155	Zinnia Furniture's	New Mict, Ptf Road, Hayin Banki, Kawo	Manufacturing	Low Capacity
156	Oxygen Manufacturing	Nnamdi Azikwe Way By Kaduna Motors	Manufacturing	Low Capacity
157	Sat Furniture's	Nnamdi Azikwe Express Bye Pass By Kaduna	Manufacturing	Operational
158	Ni'iss Upholstery (Nig.). Ltd.	L2 Shehu Musa Street, Afaka Mando Kaduna	Manufacturing	Operational
159	Shadow Funiture	L2 Shehu Musa Street, Afaka Mando Kaduna,	Manufacturing	Operational
160	Bel-Kassim (Nig.). Enterprises	No. A.U.I. Market Road U/Rimi	Manufacturing	Operational
161	Jie Irekpita and Bros Construction (Nig.). Ltd.	Kabala Doki Market Road P.O. Box 5328 Kaduna	Manufacturing	Operational
162	Olu-Geofem Company (Nig.) Ltd	1 <sup>st</sup> Live Kabala Doki Market Kaduna.	Manufacturing	Operational
163	The Ultimate Furniture (Nig.). Ltd.	Kinshasha Road U/Rimi Kaduna.	Manufacturing.	Operational
164	Unity Furniture (Nig.). Enterprises.	Conakry Street London Village Shopping Complex U/Rimi Kaduna.	Manufacturing.	Operational
165	Green – White Green (Nig.). Ltd.	No. 24 Zaria Road Nassarawa Kaduna.	Manufacturing.	Operational
166	Remco Terazzotiles (Nig.). Ltd.	No. 5 Maichibi Close Kakuri Kaduna	Manufacturing	Low Capacity
167	Gurara Aluminium	Kachia / Abuja Road	Manufacturing	Low Capacity

	Productions (Nig.). Ltd.	Television Kaduna,		
168	J.J. Aluminium Ltd.	Shop 4 L16 Command Link Road Television Garage, Kaduna.	Fabrication	Operational
169	Eunico Aluminium Ltd.	No.1 Command Link Junction, Kachia Road, Kaduna.	Fabrication	Operational
170	Musaco Aluminium Ltd.	Beside Judavi Int'l School Kachia Road Kaduna.	Fabrication	Operational
171	Optimum Exposure (Nig.) Ltd.	No. 1 Television Kachia Road Kaduna.	Manufacturing	Operational
172	Plaza Aluminium And Steel Ltd.	78 Kakao Road Goningora Kaduna	Fabrication	Operational
173	Automotive Component Industry.	Plot 12b Kachia Road Television Garage Kaduna.	Manufacturing	Dormant
174	Fire Bold Industry.	No.5 Maichibi Close Kakuri Kaduna.	Manufacturing	Closed Dawn
175	Kal Extrusion (Nig.) Ltd.	Plot 20 Inuwa Abdulkadir Road, Kaduna South Industrial Area P.O. Box 1889.	Manufacturing	Dormant
176	Supa Steel (Nig.) Ltd.	Inuwa Abdulkadir Road, Opp. 7-Up Company, Kaduna.	Manufacturing	Operational
177	Hanigha (Nig.) Ltd.	No. 51 Isa Kaita Road Kaduna.	Fabrication	Operational
178	Bokplas Multisystem (Nig.) Ltd.	No. 9 Junction Road Kaduna.	Manufacturing	Operational
179	Bright Steel Structure Co. (Nig.). Ltd.	No.10 Sarki Crescent Off Alkali Road Kaduna.	Fabrication	Operational
180	Armayau Abba Zaria Enterprises	Tudun Wada Zaria.	Leather Works.	Operational
181	Mr. Sani C. Sambo Enterprises.	Bakin Kogi Kawo Road, Kaduna.	Bakery	Operational
182	Alh. Mohammed Lawal Sale, Enterprises.	Old Panteka Kaduna.	Fabrication	Operational
183	Mustapha General Enterprises	U/Dosa Kawo Kaduna	Manufacturing	Operational
184	Free Gate Communication Enterprises.	Kawo Kaduna	Manufacturing	Operational
185	Zaria Garments Manufacturing Ltd.	Sabon Gari Zaria	Manufacturing	Dormant
186	Abdulaziz Isa Ventures	U/Alkali Zaria City Zaria.	Manufacturing	Operational
187	Mustapha	Soba	Fabrication	Operational

	Mohammed			
188	Lawal Jibrin Enterprises	Sabon Gari	Fabrication	Operational
189	Mal. Ahmodu Audu Enterprises	Kaya-Giwa	Manufacturing	Operational
190	Dauda Abubakar Enterprises	Sabon Gari , Manchok	Manufacturing	Operational
191	Patricia Christopher Enterprises	Zonkwa	Leather Works	Low Capacity
192	John Yashin Enterprises	Kpak- Kagoro	Wood Works	Operational <sup>137</sup>

### 3.4.3 Automobiles

Kaduna is one of the few states in Nigeria that has car assembly plants. The Federal Government under General Yakubu Gowon established the Peugeot automobile assembly plant in 1978 in Kaduna, with the aim of reducing government expenditure in importing brand new Peugeot cars from Germany, America, France and the UK mostly for government officials. These government officials included the President, military administrators of states, ministers, permanent secretaries, directors of various government establishments, state commissioners, heads of military and police, customs officials, immigration, and state directors, and local government chairmen. A decree was issued that any governmental ministries, parastatals, departments and units must purchase from the company.. Apart from saving money, this policy created jobs for Nigerians, who constituted about 45% of the total number of workers, though the top management staff were expatriates.

When it was fully operational both Kaduna State and the Federal Government gained a huge amount of money generated from the purchase of cars.; but by the early 1990s production began to decline drastically for reasons that will be examined in the next chapter. However, there was another automobile car assembly company in Kaduna, owned by private individuals, known as Universal Automobiles & Parts Nigeria, Ltd. It was established in order to supplement the efforts of the Federal Government assembly plant, and sell spare parts of various types of cars. The factory has since closed down.

Statistics show that fewer than 40% of factories and other businesses are operational at very low capacity, more than 40% have closed down, and about 20% are dormant. The table below

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<sup>137</sup>Kaduna StateProfile (2010), pp. 6-10.

shows the status of automobile car assembly in Kaduna as at 2014, i.e the plants that had already closed, or were dormant or operational, and the one operating at low capacity.

**Table 3.7 Status of Automobile Assembling Company in Kaduna as at 2010**

S/No	Name of Establishment	Location and Address	Nature of Business	Operational Status
1	Peugeot Automobile (Nig.) Ltd.	Plot 1144, Malam Kulbi Road, Kakuri, Kaduna	Automobile Assembly	Low Capacity
2	Universal Automobiles & Parts (Nig.) Ltd.	Kaduna	Manufacturing	Closed Down

### 3.4.4 Media, Printing and Publishing Company

In totality there are twenty-six media, printing and publishing companies in Kaduna, and of that number 17 are operational (65.38%), one is operating at very low capacity (3.84%), and five are dormant (9.23%). of the remaining three were completely closed. These companies include New Nigeria Newspapers, Ltd, with its head office along Ahmadu Bello Way, Kaduna, was established by the then government of the Northern Region on 23 October, 1964. The first copies of the paper were issued on 1 January, 1966. Its initial name was Northern Nigeria Newspapers Ltd. But when states were created out of the regions in 1967 it was changed to New Nigeria Newspapers Ltd, as it is known today.<sup>138</sup>

The company has four titles in its stable: *New Nigerian* (daily), *Gaskiya Tafi Kwabo* (a Hausa publication, published every Monday and Thursday), *New Nigerian on Sunday* and *New Nigerian Weekly* (published on Saturdays). *New Nigerian* was first published on 1 January 1966, *Gaskiya Tafi Kwabo* came on board on 1 January 1936, *New Nigerian on Sunday* was set up on 24 May, 1981, and *New Nigerian Weekly* was established on February 21, 1998.

In addition, in March, 1973, the company set up the southern plant (printing machine) alongside the one in Kaduna. The simultaneous printing of the newspaper in both Kaduna and

<sup>138</sup>*New Nigerian on Sunday*, 1 January 1966, pp. 2-7.

Lagos enabled a wide circulation for the paper. When the Northern Region was divided into six states through the creation of 12 states by the federal government in July 1967, the ownership, and management of the company was transferred to the Northern states, managed by the Interim Common Services Agency (ICSA). Later the company was fully taken over by the Federal Government in August 1975 and placed under the supervision of the Federal Ministry of Information.<sup>139</sup> This was done by General Murtala Mohammed's regime. The whole idea was to give the newspaper a national outlook, since before the abolition of the regional governments whereby regions were more powerful than the central government, the *New Nigerian* newspaper was owned by the Northern Regional government.<sup>140</sup>

The newspapers were established in order to protect the interests of people of Northern Nigeria. After a series of problems ranging from poor management, failure to pay salaries and other issues, the 19 governors of Northern Nigeria asked the Federal Government to return it to them. In 2006 the Obasanjo government handed the company back to the 19 Northern state governors, and it is currently owned and controlled by the 19 states. The company operates a commercial/stationery printing department which undertakes printing jobs of various types and produces high quality exercise books and other stationery.<sup>141</sup> In order to consolidate its economic base, the company went into property development projects in 1977 with the construction of Imam House (named after the first indigenous editor of *Gaskiya Ta Fi Kwabo*, Abubakar Imam), and the multistorey building known as Nagwamatse House. This was in addition to the senior staff quarters at Isa Kaita and Malfali Village. By 2007 the *New Nigerian* newspaper became dormant, which meant thousands of workers lost their jobs

Another media house on the brink of collapse is Gaskiya Tafi Kwabo. Before the establishment of New Nigeria Newspapers, the Northern Nigerian government had established a Hausa language newspaper in Zaria called *Gaskiya Ta Fi Kwabo* in 1936. And within the stable of Gaskiya Corporation, printers of the paper, an English language version, *Nigerian Citizen*, emerged in 1965, and Democrat Newspapers, the hotline publishing company Nigeria Ltd, and *Today* newspaper had already closed. There are currently 17 operational publishing companies in Kaduna. The table below shows the present status of media and publishing companies i.e. those that had already closed the dormant, the operational, and the one operating at low capacity.

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<sup>139</sup>Op cit New Nigeria 1966 p. 2-7

<sup>140</sup>Ibid.

<sup>141</sup>Ibid.

**Table 3.8 The current status of printing media in Kaduna**

S/N o	Name of Establishment	Location and Address	Nature of Business	Operational Status
1	New Nigeria Newspapers Company, Ltd.	Ahmadu Bello Way, Kaduna	Printing/ Media	Dormant
2	Ansa Papers (Nig.) Ltd.	Kakuri Kaduna	Manufacturing	Dormant
3	Ojiaka Ventures, Ltd.	T12 Faki Road/	Printing and	Operational
4	Northern Nigeria Publishing Company, Ltd.	Zaria	Printing and Publishing	Low Capacity
5	Baraka Press and Publishers Ltd.	Ahmadu Bello Way, Kaduna	Printing and Publishing	Operational
6	Democrat Newspapers	Kaduna	Print Media	Closed Down
7	Today Newspapers Ltd.	Kaduna	Print Media	Closed Down
8	Hotline Publishing Company (Nig.) Ltd.	Kaduna	Printing and Publishing	Dormant
9	Mavertik Consults & Associates, Ltd.	5 <sup>th</sup> Flood Nidb Building, 18, Moh'D Buhari Way, Kaduna.	Techno-Services	Closed Down
10	Adenic (Nig.) Ltd.	Vv5,Keffi Road, Box 7742,Kaduna 062-236646	Printing and Publishing	Operational
11	Arewa Printer Ltd.	An 25a Gamagira Road, T/Wada, Kaduna	Printing and Publishing	Dormant
12	Citizens Communications (Nig.) Ltd.	4a,Sultan Road, GRA P.M.B. 33341 Kaduna	Printing and Publishing	Dormant
13	Feminac Int'l Ltd.	Bz 36,Abuja Road, Sardauna Crescent, Box 8224,Kaduna	Printing and Publishing	Operational
14	Fatima Omo Enterprises	47a,Isa Kaita Road U/Sarki Box 7492,Kaduna	Printing and Publishing	Operational
15	Olu-Omole Signs (Nig.) Ltd.	Bz19,Dankama Road, Box 130,Kaduna	Printing and Publishing	Operational
16	S. Rufai Press	El, Kano/Ibadan Street Kaduna	Printing and Publishing	Operational
17	Perplas (Nig.) Ltd.	Br6,Nnamdi Azikwe Way Bye-Pass Box,4771,Kaduna	Printing and Publishing	Operational
18	Mohammed Shafiu Printing Press (Nig.) Ltd.	Opp. Makarfi Local Gov. Secretariat Gov. Road.	Publication	Operational
19	Alh. Maihamaru Audi Abubakar Printing Press (Nig.) Ent.	No E.50 Sokoto Road Samaru-Zaria 08037034984	Printing and Publishing	Operational
20	Nation House Press (Nig.) Ltd.	A3 Nnamdi Akikwe Way Kudenda Kaduna	Printing and Publishing	Operational
21	Public Agenda	Ali Akilu Way Kaduna	Print Media	Operational
22	Literamed Publication (Nig.) Ltd.	No. 14 Ahmadu Bello Way Utc Building Kaduna	Printing and Publishing	Operational
23	Alan Prints (Nig.) Ltd.	Ayuba Bako Street By Lusawa Road U/Romi Kaduna.	Printing and Publishing	Operational
24	Haliam Enterprises.	No.40 Kongo Road Tudun Wada Zaria.	Printing and Publishing	Operational
25	Hallmark Printing Press.	Nb13 Muri Road Kaduna.	Printing and Publishing	Operational
26	Klas Lema Nana Ltd.	Zaria	Printing/Publication	Operational

### 3.4.5 Health and Pharmaceuticals Industries

In the whole of Kaduna State there are five health and pharmaceutical industrial establishments. Of those two (40%) have closed two (40%) are dormant, and only one (20%) is at low operational capacity. Among the major pharmaceutical industries that were closed down was the Zaria Pharmaceutical Company, established by the then governor of Kaduna State, Abdukadir Balarabe Musa in 1980, with the intention of manufacturing and supplying disposable syringes and needles not only to Kaduna State or Northern Nigeria, but to the

whole of Nigeria, and other part of Africa. Unfortunately, shortly after Musa left office in 1984, the industry collapsed owing to mismanagement and corruption.<sup>142</sup>In 1997, the Federal Government, the Kaduna State government and a German company reinvested in the company to make it operational, but in 2002 it collapsed again. Jibril Makama,<sup>143</sup> who happened to be among the top management staff, revealed that extravagant spending of the then management, led to the eventual collapse of the industry.

It should be noted here that Zaria Pharmaceutical Company (ZPC), Ltd are the manufacturers of ZARINJECT disposable syringes and needles. The company was designed to produce syringes and needles that would meet the requirements of the Kaduna State populace. At the time of installation it had the capacity to produce 135 million disposable syringes; in fact it is the biggest in West Africa.<sup>144</sup>Astra-Arewa Pharmaceuticals was also closed as a result of poor management and corruption,<sup>145</sup>and Pfizer Pharmaceuticals and Arewa Pharmaceuticals (Nigeria) Ltd are both dormant now. Only Ollan Pharmacy is operational now, at very low capacity. One may ask why over 80% of the pharmaceutical industry collapsed in Kaduna State. This will be examined in Chapter Four. The table below shows the status of pharmaceutical industries in Kaduna State i.e. those that had already closed, the dormant, the operational, and the one operating at low capacity as at the end of December, 2014.

**Table 3.9 The current status of pharmaceutical industries in Kaduna State as at 2014**

S/No	Name of Establishment	Location and Address	Nature of Business	Operational Status
1	Astra-Arewa (Nig.) Ltd	Plot. 13 Inuwa Abdulkadir Road, Kakuri, Kaduna	Heath Care	Closed Down
2	Zaria Pharmaceuticals Co. Ltd	Old Jos Road, Dakaci Ind. Area, Zaria	Health	Closed Down
3	Pfizer Products Ltd	Zaria	Conglomerate	Dormant
4	Ollan Pharmacy Ltd	Ahmadu Bello Way Kaduna	Healthcare Manufactory	Operational
5	Arewa Pharmaceutical (Nig.) Ltd	31 Inuwa Abdulkadir Road 080 3505381.	Manufacturing	Dormant

<sup>142</sup>*New Nigerian Weekly*, 5 March 1966, p5.

<sup>143</sup>*New Nigerian on Sunday*, 1 January 1966, pp. 4-8.

<sup>144</sup>Ibid.

<sup>145</sup>Ibid.

### 3.4.6 Agro-Based, Food Processing and Confectionary Industries

Research has revealed that there is a total of 137 agro-based, food processing, bakery and confectionary industries. This number includes large-, small- and medium-scale industries. Of the 137, 86 (62.77%) are operational at very low capacity; 10 (7.27%) are dormant; and nine (6.56%) have closed down. The most affected industries are the large-scale ones mostly owned by the Kaduna State government. For example, all three agro-based and food processing industries established by the then Kaduna State governor, Abdulkadir Balarabe Musa, under his industrialization policy were closed. These included Markafi sugar, Ikara tomatoes and food processing, and Kachia ginger and food processing.

Other industries owned by the Kaduna State government that shared the same fate were the Zazzau Gingery, Ltd, and Kafanchan Feeds and Flour Mills. Other industries owned by private individuals that were closed down had contributed immensely to the economy of Kaduna State. These included the Arewa Bottling Company (Nigeria), Ltd., the Harco Vegetable Oil and Grains Processing Company, and Premier Seeds, Ltd. The closure of government-owned industries has been attributed to mismanagement and corruption of the personnel to whose hands the helm of affairs had been entrusted. The next chapters will examine the factors underlying the collapse of industries, and their impact on the economy of the state.

The table below shows the status of pharmaceutical industries in Kaduna State i.e those that had already closed, the dormant, the operational and those operating at low capacity as at the end of December, 2014.

**Table 3.10 The current status of agro-based, food processing, and bakery as well as confectionary industries in Kaduna as at 2014**

S/No	Name of Establishment	Location and Address	Nature Of Business	Operational Status
1	Drinco Industries Ltd	Kudenda Kaduna	Food Processing	Closed Down
2	Northern Noodles Ltd	168 Kachia Road, After NNPC Refinery Junction, Kaduna.	Food Processing	Operational
3	Arewa Bottling Company (Nig.) Ltd.	Kakuri, Kaduna	Food Processing	Dormant
4	Capital Foods (Nig.) Ltd	Plot J.1, Mando/Airport Road, Kaduna	Bakery and Confectioneries	Dormant
5	National Grains Production	Kaduna	Food Processing	Dormant

	Company Ltd			
6	Nigeria Breweries Plc	Nasarawa Road, Kakuri, Kaduna	Food Processing	Operational
7	International Beer and Beverage Ind.(IBBI) Ltd.	1a, Kudenda Ind. Area, Nnamdi Azikwe Express, Way Kaduna	Food Processing	Operational
8	Sunseeds (Nig.) Plc.	Old Jos Road, Dakace Ind. Area, Zaria	Agro-Based	Operational
9	Zazzau Gingery Ltd	Muchiya Road, S/Gari, Zaria	Agro-Based	Dormant
10	Kachia Foods Co.. Ltd	Of Gumel-Kwoi Road, Kachia	Food Processing	Dormant
11	Kafanchan Feeds and Flour Mills, Ltd	Kafanchan Ind. Area, Kafanchan	Foods and Feeds Processing	Dormant
12	Jema'a Bakery Ltd	Unguwar Rimi Road, Katsit, Kafanchan	Bakery and Confectioneries	Dormant
13	Ikara Foods (Nig.) Ltd		Food Processing	Dormant
14	Nigerian Dairies Ltd	Kad-Zaria Express Way, Kaduna	Food Processing	Dormant
15	KD. Water and Drinks Company (Nig.) Ltd.	Kawo Light Industrial Area, Kaduna Box 5425 062-217106	Manufacturing	Operational
16	Okin Bottling Company (Nig.) Ltd	Kakuri Industrial Estate Box 1529, Kaduna	Manufacturing	Dormant
17	Sanders Feeds, Ltd	Kachia Road Kaduna	Agro-Based	
18	Toppex Industries Investment, Ltd	No.7 Abuka Express Way, Kaduna	Bakery and Confectioneries	Operational
19	Harco Vegetable Oil and Grains Processing Company	Zaria	Food Processing	Closed Down
20	Premier Seeds, Ltd	Chikaji Industrial Estate Zaria 069-33202,334804	Agro-Based	Closed Down
21	Alheri Seeds Ltd	Chikaji, Zaria	Agro-Based	
22	Niyya Foods & Drings (Nig.) Ltd	TI3, Nnamdi Azikwe Express	Agro-Based/ Food Processing	Operational
23	Home Fresh Yoghurt Ltd	Ung/ Sarki Kaduna	Food/Dairy Products Processing	Operational
24	Cadbury (Nig.) Ltd	Zaria	Conglomerate	Closed Down
25	Mobel (Nig.) Enterprises	Pq 1, Igabi Road By Zango Road, Kaduna, 08033334225	Food Beverage	
26	Nigerian Bottling Co. Plc.	No2 Inuwa Abdulkadir Road, Kaduna	Food Processing And Beverage	Operational
27	Olu Water Technologies, Ltd	B9, Abeokuta/Nupe Road, Kaduna, 08023639462	Food Processing	Operational
28	Alhh. Bello Bakeru Ltd	Alh. Bello Str. Pambegua, Kaduna	Bakery and Confectionery	Operational
29	Alh. Bello Bread, Ltd.	Line Sarkin Pama, Giwa	Bakery and Confectionery	Operational

30	Alheri Bread	11,Nababa Str. Rigasa	Bakery and Confectionery	Operational
31	Alheri Special Bread	22, Zonkwa Road, Narayi Village, Kaduna	Bakery and Confectionery	Operational
32	Alheri Special Bread	Jere, Kagarko	Bakery and Confectionery	Operational
33	Arewa Brown Bread	11,Makarfi Close, Rigasa, Kaduna	Bakery and Confectionery	Operational
34	Campala Social Bread	Bb 79,New Mkt, Kaduna Road Pambegua	Bakery and Confectionery	Operational
35	Chisco Bread	6, Ogbomosho Str. Kafanchan	Bakery and Confectionery	Operational
36	First Class Bread Bakery	72,Natalla Road, Hayin Baki, Kawo Kaduna	Bakery and Confectionery	Operational
37	Haske Bread Bakery Ltd	C17,Rigasa Kaduna	Bakery and Confectionery	Operational
38	Iyeru Okin Bakery, Ltd	Ac7,Fasjari Road T/Wada, Kaduna 062-216531	Bakery and Confectionery	Operational
39	Jovad (Nig.) Ltd.	A.H.91,Katsina Road, Kaduna 06223604	Bakery and Confectionery	Operational
40	Lovers Special Bread	Sabon Gari, Kachia	Bakery and Confectionery	Operational
41	MC Bakery Bread	Kaduna-Kauru Road, Pambegua, Kaduna	Bakery and Confectionery	Operational
42	Morning Star Bread	Main Market, Kagoro Kpak Kagoro	Bakery and Confectionery	Operational
43	Morning Start Bakery	Bakin Kasuwa T/Wada Makarfi 08050704534	Bakery and Confectionery	Operational
44	Mudupe Banise Bakery	Behind Kawo Nursery And Primary, Birnin Gwari	Bakery and Confectionery	Operational
45	Oluwa Tosin Bread	26,Mamman Doku Rd. Zaria	Bakery and Confectionery	Operational
46	Our Bos Bread	Sokoto Street, Kafanchan	Bakery and Confectionery	Closed Down
47	Saba Industry Ltd	Sb6x8 Saba Close Kabala West Kaduna 062-238094	Bakery and Confectionery	Closed Down
48	Shiyaki Bakery Ltd	No,4 Market Road Sabon Tasha, Kaduna	Bakery and Confectionery	Operational
49	Zumunta Bread Ltd	No.22 Muchia Road Kaduna	Manufacturing	Operational
50	Kaduna Bottlers Division of John Holt	17a,Inuwa Abdulkadir Kaduna	Manufacturing	Closed Down
51	Al-Aman (Nig.) Ltd	2b,Waziri Ibrahim Crescent, Abakpa Kaduna 062-239696	Manufacturing	Operational
52	Sanctity Table Water (Nig.) Ltd.	Musa Sakuru Street U/Makama Saminaka	Food/Water Processing	Operational
53	Silver Table Water Industry	U/Makama Saminnaka 08044975340	Food/Water Processing	Operational
54	Alheri Bread Ltd	T/Wada- Ikara	Bakery	Operational
55	Imam Bread (Nig.)	T/Wada- Ikara	Bakery	Operational

	Ltd			
56	Lover's Bread (Nig.) Ltd	Layin Sarki-Ikara	Metal Construction	Operational
57	Saza Bread (Nig.) Ltd	Tashanadamu Anchau	Bakery	Operational
58	Morning Star Special Bread (Nig.) Ltd	Layin Dankade Anchau	Bakery	Operational
59	Makarfi Suger Ind. Ltd.	Governor's Road	Manufacturing	Closed Down
60	Sha'awa Bread Ltd	Tashar Rimi, Hunkuyi	Manufacturing	Operational
61	Hamdala Bread Ltd	Rimi Hunkuyi 08054526931	Bakery	Operational
62	Shukara Bread Ind. (Nig.) Ltd	Laying Pompo T/Wada 0805976317	Bread	Operational
63	Zuma Bread No.1 (Nig.) Ltd	Bakin Kasuwa T/Wada Makarfi 08043925695 08024386457	Bread	Operational
64	Belphins (Nig.) Ltd	Adwan 5, Madakiya Road, Pmb 0001, Kafanchan	Food Processing	Operational
65	Taimako Table Water	Lagos Road, Birnin Gwari	Food/Water Processing	Operational
66	One For Table Water	Funtua Road, B/Gwari 08026599279	Food/Water Processing	Operational
67	Saj Food (Nig.) Ltd	No.12 Shika Street Sabon Gari Zaria 069-370594, 08037030450	Manufacturing	Operational
68	Alh. Sabo Mohammed & Sons Ltd	No.137 Kofar Doka Zaria Ciy. 069-330591	Agro-Based	Operational
69	Rahamaniyya Yoghurt (Nig.)	No.15 Oil Jos Road T/Wada, Zaria, 08028778816.	Food/Water Processing	Operational
70	Maliki Hatchery Enterprises	No.48 Amaru, Zaria City .08036826407	Agro-Based	Operational
71	Alaramu Ja'afaru Ibrahim Enterprises	No.15 Jushi Zaria City 08036102528	Agro-Based	Operational
72	Alhaji Shehu Lawal (Nig.) Ind.	No.4u/Male, Zaria	Bakery	Operational
73	Alh. Abubakar Haruna (Nig.) Ind.	No.17melebakin Kasuwa, Zaria City	Bakery	Operational
74	Kabir Sani Tambaya (Nig.) Ltd	No.1 Nakwamati House Kofan Doka Zaria 08035956042	Food/Water Processing	Closed Down
75	Nakowa (Nig.) Enterprises	No.2kaduna Road, Danmagani Zaria 08036262897.	Food/Water Processing	Operational
76	Aminu Ja'afaru Lawal Enterprises	No.1kofan Doka Near Fire Service Zaria	Agro-Alled	Operational
77	Golden Links R/Ramid Investment (Nig.) Ltd	No.29 Abubakar Usman Road Jama'a Sabon Gari-Zaria 08034161287.	Food Processing	Operational

78	C.Way (Nig.) Ltd	Gina Dabe Road Kaduna	Food Water Processing	Operational
79	Asab Pharms (Nig.) Ltd	Nnamdi Azikwe By Pass Mando	Agro-Based	
80	Novo-Selo Industry (Nig.) Ltd	Off Ali Akilu Way, Kaduna	Agro-Based	Operational
81	Nagarta Foods (Nig.) Ltd	Off Nnamdi Azikwe Bye Pass U/Mu'azu Ind. Layout, Kaduna.	Manufacturing	Operational
82	Lasabel Investment Ltd	Nnamdi Azikwe Express Bye Pass Bakin Ruwa, Kaduna O62-412037	Food Processing	Operational
83	Jamil (Nig.) Ltd	M924/30 Nnamdi Azikwe Express Bye Pass Bakin Ruwa, Kaduna	Food Processing	Operational
84	Sofun Farms (Nig.) Ltd	Hanwa Low Cost Area, Behind Jim Harrison Hotel P.O. Box 616,Zaria	Agro Allied	Operational
85	A.A Production Company Ltd	No3 U/Fulani Palladan Zaria	Food/Water Processing	Operational
86	De-Sanco Ster (Nig.) Ltd	42 Water Tank Road Hanwa New Extension Sabon Gari Zaria	Food/Water Processing	Operational
87	Dalema Bakery (Nig.) Ltd	70a Isa Kaita Road, P.M.B. 2208 Kaduna	Bakery	Operational
88	Na Matsirga Enterprises	No.29 Nababa Street Rigasa Kaduna	Bakery	Operational
89	Maliki Hatcheri Enterprises	No. 4b Ung/Umaru Zaria City	Agro-Based	Operational
90	Albarka Feeds Ltd	No.1 Kofan Doka Near Fire Services Zaria	Agro-Based	Operational
91	Sharabun Dayyibun Yoghurt Ltd.	Nuubamali Road Jushi Zaria City	Water/Food Processing	Operational
92	Gambo Ayuba Rice Mill (Nig.) Ltd	No 27 Alh. Usman Street Yanawaki Muchia S/Gari Zaria	Agro-Based	Operational
93	Natholade Services Ltd	Kalaluwa Hayindogo Samaru Zaria	Bakery	Operational
94	Johad (Nig.) Ltd	No. 1 /4 Ahmadu Bello Way P.M.B 2052. Kaduna	Agro --Allied	Operational
95	Goyyoto (Gin). Enterprises	Opp. Lea Primary School, Ung. Gwari Kawo – Kaduna.	Food /Water Processing	Operational
96	Prime Feeds (Nig.) Ltd	No. R2 Ayd N10 Road U/Gwari – Kawo Kaduna.	Agro-Base	Operational
97	Ramo Water (Nig.). Ltd	A2b Sabon Gari Afaka Mando.	Food /Water Processing	Operational
98	Ansar Sweetened Yoghurt (Nig.). Ltd	No. 7 Bamako Road U/Rimi Kaduna.	Food /Water Processing	Operational
99	Debi Bakery And Confectionery	33/35kurmi Avenue Ja'afaru Estate. Costain Kaduna.	Bakery	Operational

	(Nig.). Ltd			
100	Himma Bakery (Nig.) Ltd	Shehu Laminu Road U/Rimi Kaduna.	Bakery	Operational
101	Ni'ima Bakery	Shehu Laminu Road U/Rimi Kaduna.	Bakery	Operational
102	Eagle Water Ltd	Kadara Street Goningora Kaduna, 08033499725.	Food /Water Processing	Operational
103	Hass (Nig.). Enterprises.	No.5 Kagarko Street Kawo New Extension Kaduna.	Bakery	Operational
104	Nabeel Yoghurt (Nig.). Ltd	No.1 Kagoro Close By Nnamdi Azikwe Express Bye Pass Kaduna.	Food Processing	Operational
105	Iyeru Okin Bakery (Nig.). Ltd	Ae Faskari Close Tudun Wada New Extension Kaduna.	Bakery	Operational
106	Alh. Abdullahi Aliyu (Nig.) Enterprises.	Birnin Gwari	Agro-Allied	Operational
107	Alh. Ibrahim Suleiman, Enterprises.	Birnin Gwari	Agro-Allied	Operational
108	Alh. Moh'd Mai Taki, Enterprises	Birnin Gwari	Agro-Allied	Operational
109	Alh. Hamisu Ibrahim, Enterprises	Birnin Gwari	Agro-Allied	Operational
110	Alh. Nalado Salihu Udawa, Enterprises.	Udawa Chukun, Kaduna.	Agro-Allied	Operational
111	Kefang International Ltd	Narayi Chukun, Kaduna.	Agro-Allied	Operational
112	Home And Gardens Extension Ltd	Mararaban Igabi	Agro-Allied	Operational
113	Hajiya Kaltume Usman Enterprises.	Badarwa, Kaduna.	Agro-Allied	Operational
114	Koroma Kudan Cooperative Society	Kaduna Town	Bakery	Operational
115	Amoda (Nig.). Enterprises.	Kafanchan	Agro-Allied	Operational
116	Alh. Ali Mai-Tanki, Enterprises	Sabon Tasha, Kaduna.	Agro-Allied	Operational
117	Boka Investment Ltd	Birnin Gwari Town.	Agro-Allied	Operational
118	Mr. Yakubu Audu, Enterprises	Zonkwa (Doruwa)	Agro-Allied	Operational
119	Alh. Dauda Junaibu Enterprises.	Dogon Dawa Birnin Gwari.	Agro-Allied	Operational
120	Mr. Yakubu Audu, Enterprises	Kurmin Sara Kachia.	Agro-Allied	Operational
121	Maimuna Bakery And Confectionery Industry	Nassarawa Kaduna	Bakery	Operational
122	Oila Vestures Ltd.	Plot 7 Railway Station Road	Bakery	Operational

		Kaduna.		
123	Divine Blessed Bread Ltd.	Mararaban Kajuru, Kajuru	Bakery	Operational
124	Ezedam Enterprises	Kagoro – Kaura	Agro-Based	Operational
125	I.S.G. International Ltd.	Kurmin Mashi Kaduna.	Bakery	Operational
126	Al-Firdaus (Nig.) Enterprises	Tudun Wada Kaduna.	Food Processing	Operational
127	Gambo Mohammed Awwal	Kawo-Kaduna.	Agro-Based	Operational
128	Alh.Saliu Abbas	Rigasa-Kaduna	Bakery	Operational
129	Isah Duya Mabushi, Enterprises	Mabushi	Agro-Based	Operational
130	Dominic S. Umaru, Enterprises	Narayi Kaduna	Agro-Based	Operational
131	Mal. Rilwanu Aliyu	Giwa	Bakery	Operational
132	Mal. Aliyu Lawan Enterprises	Gangara Giwa	Agro-Based	Operational
133	Mal. Rilwanu Salisu Enterprises	Gangara Giwa	Agro-Based	Operational
134	Mal. Mamuda Yusuf Enterprises	Kaya-Giwa	Agro-Based	Operational
135	Alh. Garba Sarkin Enterprises	GubuChi- Makarfi	Agro-Based	Operational
136	Tally International (Nig.) Ltd	Az50 Maiduguri Road P.O.Box1262 Kaduna	Agric. Processing	Operational <sup>146</sup>

### 3.4.7 Oils and Petrochemicals

There are eight oil and petrochemical industries in Kaduna State. Currently, five (62.5%) are operational, , one (12.5%) is dormant, and two (25.5%) have closed. The major industry among them is the Kaduna Refinery and Petrochemical Company. It was established by the Federal Government to ease problems of transport and distribution of petroleum resources in the northern part of Nigeria, but corruption and other mismanagement seriously affected its operation. A major oil blending plant, Nigeria Ltd, is dormant, and two others have closed down.

The next chapter will examine the factors underlying the collapse of Nigerian industry, and its impact on the society and the economy. Statistics have shown that fewer than 40% percent of industries are operation at very low capacity, more than 40% have closed down, and about 20% are dormant. The table below shows the status of the oil and petrochemical industries in Kaduna at as 2014, i.e those that have closed, are dormant, or operational and those operating at low capacity.

<sup>146</sup>Kaduna State Profile (2010), pp. 5-10.

**Table 3.11 The status of the Oil and Petrochemical Industries in Kaduna as at 2014**

<b>S/No</b>	<b>Name of Establishment</b>	<b>LocationAddress</b>	<b>Nature of Business</b>	<b>Operational Status</b>
1	National Oil and Chemical Company, (Nig.) Ltd.	Kachia Road, Kaduna	Petrochemical	Operational
2	Kaduna Refinery and Petro-Chemicals Company, Ltd.	Kachia Road, Kaduna	Petro-Chemical Processing	Operational
3	TY Chemicals Nig. Ltd.	Refinery Road, off Kachia Rd, Kaduna	Blending and Marketing of Oils	Operational
4	Oando (Nig.) plc	Kachia Road, Refinery Ind. Area Kaduna	Lubrigaciants	Operational
5	Major Oil Blending Plant (Nig.) Ltd.	Kachia Road, Kaduna	Blending and Marketing	Dormant
6	Unipetrol Blending Plant	Textiles Road, Kakuri, Kaduna	Petrochemical	Operational
7	Oil Blending Plant	Kachia Road	Lube Oil Production	Closed Down
8	Zest Industry (Nig.) Ltd	Kachia Road Along Refinery.	Petrochemical	Closed Down

### **3.4.8 Mining, transport, construction and trading industries**

There are four registered mining industries in Kaduna State. The research has revealed that all the four are operational, but there is only one in full operational capacity. Construction, trading and transport industries are operating at very low capacity.

The table below shows the status of the mining, transport, construction and trading industries in Kaduna at as 2014, i.e. those that have closed, are dormant, or operational, and those operating at low capacity.

**Table 3.12 The Current Status of Mining, Transport, Construction and Trading Industries in Kaduna at as 2014**

<b>S/No</b>	<b>Name of Establishment</b>	<b>Location and Address</b>	<b>Nature of Business</b>	<b>Operational Status</b>
1	Cibi Nigeria Ltd	F3,Cibi Road, Nnamdi Azikwe Express By-Pass, Kaduna	Quarrying	Operational
2	Abdullahi Mohammed Industry Ltd (Amil)	125/129,Sabon Birni Road, Kawo New Extension, Kaduna.	Mining\Trade	Operational
3	Miero Marble Granite & Stones (Nig.). Ltd	Shop 15/14 off Kaduna Airport Road, Mando.	Quarrying	Operational
4	Al-Hayatu Gems (Nig.). Ltd		Gem Processing	Operational

#### **Transport**

<b>S/No</b>	<b>Name of Establishment</b>	<b>Location and Address</b>	<b>Nature of Business</b>	<b>Operational Status</b>
1	Inland Containers Ltd	Kaduna	Manufacturing	Operational

#### **Construction**

<b>S/No</b>	<b>Name of Establishment</b>	<b>Location and Address</b>	<b>Nature of Business</b>	<b>Operational Status</b>
1	ITCC Ltd	Kujama, Kaduna	Processing	Dormant

#### **Trading**

<b>S/No</b>	<b>Name of Establishment</b>	<b>Location and Address</b>	<b>Nature of Business</b>	<b>Operational Status</b>
1	Gazimpex WA Ltd	Nm8, Constitution Road, Kaduna	Trade	Operational

### **3.5 Conclusion**

A combination of factors contributed immensely to the foundation of industries in Kaduna State. We have shown the historical evolution of electricity in Nigeria and its crucial role in the ifoundation, growth, and development of all types of industry in Kaduna. It is understood by the experts in the field that no society could have established industries of whatever nature without an adequate and dependable source of energy. Hence we have analysed the generation, distribution, transmission, and management of power in Kaduna.

Water was one of the major considerations for the establishment of industry; and from the outset priority was given to the source of water, and its adequacy for industrial consumption. In order to meet the industrial demand for water, Kaduna State had to construct a new water board and expand the existing ones.

Another crucial requirement for the foundation of industry in Kaduna was labour. As this chapter explains, the cosmopolitan nature of Kaduna, where people are welcomed irrespective of social, political, religious and ethnic affiliation, attracted a huge number of job seekers from all over the country who worked in various factories in Kaduna and the neighbouring towns of Zaria, Makarfi, Ikara, Kafanchan Kachia and other parts of the state.

We have also examined the various types and operational status of the industries in Kaduna State. Field research and documents available to us have revealed that there are over 385 industries in Kaduna State, large, medium, and small. They include textiles, automobile assembly, media and publishing, health and pharmaceuticals, agro-based food processing, confectionary and oil and petrochemicals.

## **CHAPTER FOUR**

### **Factors Underlying the Collapse of Industries in Kaduna State, 1999-2010**

#### **4.1 Introduction**

There were several reasons for the collapse of industries in Kaduna State, and Nigeria in general, including frequent power failure, and the importation of foreign goods and materials required for local industries lack of proper control of our borders and the negligence of politicians, the production of inferior goods, corruption for which Nigeria is one of the worst in the world) and poor government policies. Costs of production have significantly contributed to the collapse industries in Kaduna State, largely due to the high cost of materials from foreign countries and their transportation.

There was also imposition of unnecessary taxes and levies, and duplication of government agencies and commissions on industrial related matters. When firms are established in Nigeria huge amount of money must be paid at various levels of government – local, state, and federal.

Because of the number of industries that collapsed in the period covered by the present study, it may not be possible to study them one by one; therefore, specific industries will be examined and examples and statistics will be provided in order to back the argument with facts. There were various problems identical to each industry.

#### **4.2 Textile Industry**

As we have seen in Chapter Three, the textile industry was the major employer among the industries located in Kaduna State. At one point the state was referred to as “the Manchester of Nigeria”. The industries in Kaduna could be classified into two groups: those with a local supply of materials, and those that imported raw materials. The group supplied locally comprised textiles, food and beverages, processing factories, furniture and to some extent asbestos and cement companies. The group with imported material included Peugeot, fertilizers printing and publishing, paper products iron products, industrial gases and beer brewing.<sup>147</sup> In the textile industry all the firms in Kaduna are cotton factories with the exception of Northern Nigeria Textiles, Ltd (NNTL), in which about 98% of total cotton required for its production was produced by the Northern states. Kaduna State alone provided over 35%. The supply of cotton lint to the textile mills went through the Northern Marketing

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<sup>147</sup> I. D Suleiman, *Industrial location in Kaduna*, pp. 20-21.

Board (NMB), which was the only authorized body for the sale of cotton lint to the mills<sup>148</sup>. The textiles in Kaduna State and other parts of Northern Nigeria consumed up to 50% of the locally produced cotton. The Northern Marketing Board was responsible for the transportation of the cotton bales from various ginneries to the mills. The price paid to the Board therefore includes the transport cost. There were other materials in the textiles industry that were imported, including: chemical dyes, and bafts (*akoko*) which were imported from Germany, India, China, Britain, Japan, and Switzerland.<sup>149</sup> These imports constituted a high proportion of the total production costs of the textiles industry in Kaduna.

The time came when the textile industry in Kaduna began to import all the raw materials required for its production. What informed this sudden change? One may ask this question, since the textile industry's major raw material was cotton, which was available from the Northern states. It was stated in Chapter One of this study that the availability of cottons was one of the major considerations in locating the textile industry in Kaduna. But there were unforeseen circumstances that necessitated the imports of cotton bafts and other raw materials which added costs to production. The drought had reduced production to approximately 60%<sup>150</sup>; therefore, the cotton in the North could not meet all the demands of the textile industry in Kaduna and other parts of the country.

The shortage of cotton lint in the country reached a level at which the Federal Government of Nigeria had to come to rescue the industry from total collapse. In the Federal Government's view, for the textiles industry to survive, the embargo had to be lifted; and thus the textile industry was granted permission to import cotton lint into the country without duty. It was part of the policy of government on industrialization to give concessions to particular firms when they faced serious challenges such as this one.

For example, in 1978-1982 Northern Nigerian Textiles, Arewa, Nortex and Zamfara Textiles imported 4 000 bales of lint following the permission granted to them.<sup>151</sup> Under the former arrangement cotton lint was imported through a Nigerian marketing company, and sold at

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<sup>148</sup> Northern Nigerian Marketing Board policy, (1964), 67. Also confidential interview with Abdul Isah, the manager of Nortex Textiles, 29 December, 2014 in Kaduna.

<sup>149</sup> Confidential interview with Suraj Garba, Human Resources Manager, United Textiles Ltd, Kaduna, 29 December, 2014.

<sup>150</sup> Confidential interview with Usman Abdullah, former worker with Arewa Textiles, Kaduna, on 5 January, 2015, in Kaduna.

<sup>151</sup> *The Textile Worker*: Publication of the national textile, garment and tailoring workers of Nigeria, 4 (30), (2009).

Nigerian prices; but some constraints did not allow it to work well' therefore permission was granted to the firms to import<sup>152</sup>. The implication was that people had tasted the benefit of importing such goods from abroad, and many of them had made money. In fact during the military government of General Ibrahim Badamasi Babangida businessmen who were very close to him were given licence indiscriminately to import without control.<sup>153</sup>

Increases in the purchase price of imported chemicals were another major problem that affected the textile industry in Kaduna in particular and Nigeria in general. These happened as a result of the world energy crisis:<sup>154</sup> the cost of chemicals and dyes had risen by 150-400%, and besides, the supply was highly unreliable. This created delay in the transporting materials owing to congestion at Lagos ports and the inefficiency of the railways, which included, many instances, a shortage of railway wagons. The cost of transportation and delivery to industrial locations in Kaduna was quite high. According to my informant, Saddiq Yakubu, who served as the Supply Officer of Kaduna Textiles, it would cost you a percentage to import goods from London to Lagos; a distance of over 4 000 miles, a good deal cheaper than to transport the same goods from Lagos to Kaduna, a distance of just 562 miles.<sup>155</sup> This difference in the transfer cost was due to the following reasons: the long-haul advantage in the transfer cost increased disproportionately with an increase in distance owing to the fixed terminal costs irrespective of the distance travelled/ and it is cheaper to use water transport where it is available for a long distance than to use either the railway or road even though it has a high terminal cost.<sup>156</sup> The cost of production has played a significant role in the collapse of textile mills in Kaduna, because the mills began to run at a loss, or without profit, which eventually led to the collapse of these industries as shown in the table below, an analysis of some of the production in some industries in Kaduna.

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<sup>152</sup>Confidential interview with Saddiq Yakubu, former Supply Officer, Kaduna Textile,Ltd, in Kaduna, 5 January, 2015.

<sup>153</sup>Confidential interview with Suraj Garba, Human Resources Manager, United Nigerian Textiles,Ltd, in Kaduna, 4 December, 2014.

<sup>154</sup>Suraj Garba Op cit, 2014.

<sup>155</sup> Saddiq Yakubu, Op cit, 2015.

<sup>156</sup>Ibid .

**Table 4.1 Analysis of costs of production in selected industries in Kaduna**

Industries	Cost of raw materials	Cost of fuel	Cost of electricity	Cost of labour	Cost of contract done by others	Cost of goods bought for re-sale	Cost of repair done by others	Other costs	Total
Textiles	27.1	0.9	1.2	1.5	15.2		0.5	54.8	100
Cement products	65.5	1.0	3.9	14.5	2.0	-	0.5	12.6	100
Bakery products	76.2	2.5	1.2	12.8	-	-	0.6	6.7	100
Brewery	27.1	0.9	1.5	15.2	-	-	0.5	54.8	100
Furniture making	90.5	0.8	0.5	3.9	-	0.1	0.2	4.0	100
Paper products	70.9	0.3	0.8	15.8	-	0.2	0.1	11.9	100
Printing and publishing	42.2	0.9	1.9	43.1	1.5	3.2	1.3	3.2	100
Industrial gases	36.0	1.4	5.5	21.1	-	18.3	1.7	26.0	100
Metal	46.9	4.3	1.7	40.0	-	-	0.1	7.0	100

**Source:** Industrial Survey of Nigeria, 1967, 80-91, and I. D Suleiman, *Industrial Location in Kaduna* (1975), 28.

The cost of labour had seriously contributed to the collapse of industries in Kaduna State. However, Suraj Garba attributed the mass closure of the textile industry to the scarcity and high price of black oil, and the general lack of electricity in the manufacturing sector. The scarcity of black oil (LFPO) and its high price had seriously affected the textile industry in particular since 2004 owing to the erratic functioning of the Kaduna refinery. The Kaduna refinery had been the major supplier of black oil to major industries in Kaduna free of charge, but as time went on the Kaduna refinery started selling the black oil to industries. By 2006, the price had drastically increased from N25.40 to N59 per litre, which had made operation difficult<sup>157</sup>.

### 4.3 Inadequate power supply

In the preceding chapter we examined the critical role that energy has played in the industrial development of Nigeria, with special emphasis on Kaduna as the major area of the current research. In this subsection an attempt will be made to examine why Nigeria failed to generate and distribute energy for economic development and other purposes. As we have

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<sup>157</sup> Suraj Garba, Op cit 2014.

revealed in preceding chapters Nigeria has all the resources for generating enough energy for local consumption, yet we do not have it in Nigeria.

According to the professionals, Nigeria has an estimated 176 trillion cubic feet of proven natural gas reserves, giving the country one of the top ten natural gas endowments in the world and the largest endowment in Africa. Natural gas is a naturally occurring gaseous mixture of hydrocarbon gases found in underground reservoirs. It consists mainly of methane (70%- 95%)<sup>158</sup> with a small percentage of ethane, propane, butane, pentane and other heavier hydrocarbons, with some impurities such as water vapour, sulphides, and carbon dioxide. Apart from the export potential of the Nigerian gas, local demand opportunities are power generation, the cement industry, and iron and steel plants. The largest single consumer of natural gas in Nigeria is PHCN, and it accounts for about 70% used to operate electricity generating gas plants at Afam, Ughelli, Sapele and Egbin<sup>159</sup>.

There are a number of Nigerians who consider that the issue of failure to supply adequate energy for industrial and economic activities has to do with government commitments and sincerity of purpose. One Nigerian with this view was the former military Head of State (1984-1985) and the new President, General Muhammadu Buhari. Highlights:

After the 1983 elections NEPA virtually collapsed. But when we came in in 1984-1985, we had the late Lukman, an engineer; He was in Plateau when I was working as GOC2 Armoured Division. I got to know him. He was an extremely, truly hardworking engineer of great integrity. I put him in charge of NEPA. If you could recall, I did the tour of NEPA installations and some industries. And we ordered some spare parts mostly of the thermal station and we were using military C130 aircraft to bring spare parts. By the time we were removed in August 1985, blackout in Lagos had been forgotten because the thermal station had been made functional. Lagos was home of industries. Industries were given priority because of employment. If you close the factories as they have done now there will be no goods and services. Power is the most important thing for our sustained development.<sup>160</sup>

Buhari argues that billions of dollars have gone down the drain from 1999 when the present dispensation came into being. The Kaiji, Jebba, Sharoro had been repaired and brought to

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<sup>158</sup>“Energy Commission of Nigeria”, *Energy Resources Review*, 4 (3): 7-10.

<sup>159</sup> O. I. Okoro and T.C. Madueme, “Solar Energy: A Necessary Investment in a Developing Economy”, *Renewable Energy* 29:pp. 1599-1610.

<sup>160</sup>Interview with General Muhammadu Buhari by Sahara reporters, 26 October, 2014.

optimal usage; it was just a question of using spare parts. He recalled that the 1970s, when he was Minister of Petroleum a study was conducted on the availability of gas that was supposed to aid in power generation. The findings revealed that Nigeria had huge reserves of gas, particularly in the eastern part of the country. In view of that his regime initiated the LGN project, which could not be done without a 30-year reserve to back it up. Despite all the resources and money invested in the project, it has had no positive results. According to him, Nigerian textile firms in Ikeja, Abah, Kaduna and Kano used to employ over 300 000 Nigerians in the 1980s. Now they employ fewer than 30 000. A serious government would get worried if over 250 000 workers in one industry lost their jobs Behind every Nigerian worker are five dependants.<sup>161</sup>

In view of the importance of the sector, immediately after he was sworn in, on 29 May 2007, President Umaru Musa Yar'Adua recognised the urgent situation in the sector by addressing its problems without the usual bureaucratic delays, while ensuring that due process was not compromised.

Research has shown that the total installed capacity of the current generating plants is 7 876 MW, but the installed available capacity is less than 4 000MW as at December 2009. However, early this year (2015) the capacity available has dropped to less than 2 000MW. Seven of the 14 generating stations are over 20 years old, and the average daily power generation is below 2 700MW, which is far below the peak load forecast of 8 900MW for the currently existing infrastructure. As a result, the nation experiences massive load shedding. The major /problems militating against adequate and stable power supply as well as power generation are as follows:

- Inadequate generation availability
- Inadequate and delayed maintenance of facilities
- Insufficient funding of power stations
- Obsolete equipment, tools, safety facilities and operational vehicles
- Inadequate and obsolete communication equipment<sup>162</sup>
- Lack of exploration to tap all sources of energy from the available resources; and low staff morale
- Inadequate power evacuation at newly completed and fictionalized power plants

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<sup>161</sup>Ibid.

<sup>162</sup>I. E. Ekpo, *Challenges of Hydropower Development in Nigeria*(2007), 5.

- Erratic supply of gas domestic resources for power generation
- . The National Grid is yet to cover many parts of the country
- Vulnerable and overloaded existing transmission system
- Poor voltage profile to the tail-end consumer
- High prevalence of inadequate working tools, vehicles and spare parts for operating and maintaining the power system
- There is a serious lack of required modern technologies or communication and monitoring of the generation, transmission and distribution infrastructure
- Low customer satisfaction (load shedding, poor voltage profile, inaccurate billing, difficulties in paying bills, no-notice disconnections, etc.)
- Poor technical staff recruitment, capacity building and training programme
- Inappropriate tariff that would enable

Countless billions of dollars had already been spent on restructuring the Nigerian energy sector. The following table indicates the Federal Government of Nigeria's budgetary allocation to the energy sector of Nigeria from 1973 to 2001.

**Table 4.2 Federal Budgetary Allocations to the Electricity Sector, 1973-2001**

S/N	Year	In Naira (N)	In Dollar (\$)	Additional Capacity (MW)	Peak Capacity (MW)
1	1973	1,392,4552	946,263.00	-	398.10
2	1974	23,350,000	15,796,360	-	398.10
3	1975	115,013,000	71,083,436.34	12	518.10
4	1976	160,000,000	100,496,199.99	335.60	853.70
5	1977	207,079,989	134,193,034.95	-	853.70
6	1978	509,210,000	324,193,034.95	1,190	2,043.70
7	1979	540,000,000	326,173,621.01	-	2,043.70
8	1980	370,000,000	203,341,393.71	-	2,043.70
9	1981	222,481,000	136,726,278.27	300	2,343.70
10	1982	112,370,000	75,843,871.49	312	2,655.70
11	1983	111,530,000	8,356,706.76	-	2,655.70
12	1984	167,571,000	128,426,705.76	-	2,655.70
13	1985	110,189,433	98,931,076.46	440	2,655.70
14	1986	17,666,660	10,640,002.41	980	4,075.70
15	1987	282,303,446	69,412,875.63	440	4,515.70
16	1988	143,596,149	31,818,335.79	-	4,515.70
17	1989	14,922,058	2,005,464.27	150	4,665.70
18	1990	15,000,000	1,853,591.02	1,050	5,715.70
19	1991	26,625,513	2,678,407.47	-	5,715.70
20	1992	23,750,000	1,359,971.60	-	5,715.70
21	1993	152,203,000	921,873.51	-	5,715.70
22	1994	142,425,639	6,475,069.97	-	5,715.70
23	1995	1,426,276,710	18,603,698.24	-	5,715.70
24	1996	1,179,199,250	14,1440,158.78	-	5,715.70
25	1997	1,000,000,000	12,191,880.70	-	5,715.70
26	1998	2,700,000,000	32,060,378.00	-	5,715.70
27	1999	2,481,000,00	26,748,576.32	-	5,715.70
28	2000	22,962,834,721	224,893,881.22	-	5,715.70
29	2001	51,045,300,000	446,981.611.21	546	6,261.70

**Source:** Ayodeji Olukoju, “Infrastructure Development and Urban Facilities in Lagos, 1861-2001”, *IFRA Occasional Publication* No.15, University of Ibadan, Nigeria, 2001.

#### 4.4 Kaduna Refinery and Petrochemical Company (KRPC)

Another important industry located in Kaduna is the Kaduna Refinery and Petrochemical Company. It is important to look at the historical background of its establishment before examining factors that led to its collapse and contribution to the socio-economic development of the State. Nigeria is the number six oil-producing country in the world, and in Africa it is second to Libya.<sup>163</sup> It produces 2.15 million barrels a day. It is also the major exporter of crude petroleum. Crude petrol has played a critical role in the economic development of

<sup>163</sup>*Nigerian National Petroleum Company Bulletin*, 56.

Nigeria. It should be noted that before the establishment of the Warri and Kaduna refineries, over 90% of petroleum products were imported from abroad. Despite the establishment of these two refineries in 1974 and 1978, Nigerian petroleum products did not satisfy local consumption. The reason for locating refineries in Kaduna was its centrality, which aided in the distribution of petroleum resources to all corners of the country.

Initially the Kaduna refinery was established and designed to process two types of crude oil; the Nigerian light crude, and the imported heavy crude. The Nigerian light naphthenic yields fuel products, while the imported heavy paraffin crude yields lubricating oils, waxes and asphalt. The refinery produces fuel, lubricating oil, wax and asphalt.<sup>164</sup> While the fuel section of the refinery was designed to process the Nigerian crude in the crude atmospheric and vacuum distillation units, the other section of the fuel section was designed to process a mixture of fractions from the domestic crude as well as from the imported used in the lube section. The products from the fuel section are: liquefied petroleum gases (LNG), five-star gasoline, super grade gasoline, dual purpose kerosene, gas oil and fuel oil. From the start the Kaduna refinery was planned to guarantee self-sufficiency in all of its services. In order to perform well and provide the required services, all equipment needed was fully provided. For example The Nigerian Electricity Authority (NEPA) had provided a 42MW plant and water with a supply capacity of 150 000 cubic metres; and pipes were linked up with the Kaduna River in case of water shortage.

The decision to construct the Kaduna refinery in Kaduna was taken as far back as 1974, and at the same time the decision was taken to construct a second refinery in Warri. The Kaduna refinery was the third constructed in Nigeria. Its design and engineering were done with the intention of supplying quality refined petrol. At the beginning the projection was that the refinery should have a capacity of 42 000 crude barrels, but after a second feasibility study the experts recommended upgrading to 60 000. Another decision was made by the Federal Government of Nigeria that the capacity of any new refinery in the country should not be below 100 000 barrels per day (BPSD).<sup>165</sup>

It should be noted that Northern Nigeria has the highest population and demand for petroleum in the country. Extensive market research carried out on the petroleum products demand

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<sup>164</sup> A.M. Al-Amin, *Environmental Impact Assessment of Kaduna Refinery in the Radio Region of Kaduna Metropolis*, 38.

<sup>165</sup> *Nigerian National Petroleum Company, Brochure* (2006), p. 34.

pattern throughout the country, the northern zone showed, in fact, increasing demand. The research shows that it would cost less to transport crude oil by pipeline to various locations in Northern Nigeria, which presently comprises 19 states, than it would to transport the refined products to growing Northern markets by rail or road. This fact has contributed immensely to the decision to construct the refinery in Kaduna. Kaduna proved to be a central location for distributing petroleum products to depots in the Northern Region, while the Warri and Port Harcourt refineries proved suitable for the supply of petroleum products to depots in the southern and middle regions.<sup>166</sup>

However, in the course of the construction of the refinery the Federal Government forecast fuel shortages, and therefore decided to work on a third refinery with some adjustment to the plan for the Kaduna Refinery to advance the supply of the required petroleum resources by constructing a simple hydro-skimming refinery. A new memo had to be signed between the Federal Government and the constructors.<sup>167</sup> The modification at first entailed the old plan making provision for the new refinery, but later it developed into an integrated refinery that would now be able to produce a wider variety of petroleum products, some of which would be lubricating base oils. Hence, it became necessary to import suitable paraffin-based crude oil from Kuwait, Venezuela, or Saudi Arabia.<sup>168</sup>

It was widely believed that the lubricating oil complex of Kaduna Refinery was the first of its kind in the whole of West Africa, and one of the largest in Africa. Various construction firms were involved in planning the construction of the Kaduna Refinery, including King Wilkinson of The Hague, in conjunction with NNPC engineers. Other constructions were awarded to the Chiyoda Chemical Engineering & Construction Company of Yokohama, Japan in 1977.<sup>169</sup>

The construction of the refinery was completed in 1981, and the fuels plant was commissioned in the same year. The lubes plant was completed and commissioned in 1983, but the petrochemical plant was commissioned much later in 1988. Initially operation, maintenance and other important work in the refinery were carried out by Nigerian staff, with expatriate personnel as technical back-up, particularly in the engineering department. With

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<sup>166</sup>[www.nnpc.com](http://www.nnpc.com)

<sup>167</sup>*Nigerian National Petroleum Company, Brochure*(2006), 32.

<sup>168</sup> [www.nnpc.com](http://www.nnpc.com)

<sup>169</sup>*Nigerian National Petroleum Report*(2007), 23.

the passage of time, and a dramatic increase in local technical staff, by 1985 Nigerian staff had virtually taken over all the maintenance and operations, and all the other important departments of the refinery. According to some observers, this laid the foundation for the decrease in production of the Kaduna refinery owing to the incompetence of the Nigerian staff, both technical and administrative.<sup>170</sup>

The Kaduna refinery was designed to minimize operating costs. Therefore pipes were placed underground which linked up various petroleum depots located in the various states within Northern Nigeria. These depots included Kano, Jos, Gusau, Yola, Borno and other states. Although it is necessary to minimize pipe length to facilitate quick delivery of products from one process unit to another, it is nevertheless not advisable to transport highly viscous fluid over long distances. To achieve this, intermediate tanks are placed close to the various process units in the plot plan, thus using minimum length of pipe, which, to a large extent reduces the cost of piping.

At its inception the Federal Government ensured the refining of crude oil into high quality petroleum products, and the manufacturing of petrochemical and packaging products to the satisfaction of consumers all over the nation. In an effort to increase refining capacity in Nigeria, in December 1986 the Kaduna refinery was upgraded, which resulted in an increase of fuels plants from 50 000 BPSD to 60000 BPSD, bringing the total installed refining capacity to 110 000 BPSD per day. However, in March 1988, another plant under the then petrochemical sector of NNPC was commissioned with a capacity of 30 000 BPSD.capacity. The plant was designed to derive its entire raw materials, including utility supplies, from the refinery. In 1988, after consultation, the company decided that the two independent plants should merge together into a single subsidiary company of NNPC in view of their interdependence, common goal and proximity. The company thus formed was the Kaduna Refining and Petrochemical Company, Ltd (KRPC).

The fuels plant of KRPC is designed to process Nigerian crude oils in the No.1 Crude Atmospheric and Vacuum Distillation Units (CDU 1), and while the rest of the fuels section is designed to process a mixture of light and medium fractions from the domestic crude oil as well as from the imported crude used in the lubes plant. Products from the fuels plant are:

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<sup>170</sup> A.M. Al-Amin, *Environmental Impact Assessment of Kaduna Refinery in the Ridio Region of Kaduna Metropolis* p. 58.

liquefied petroleum gases (LPG), premium motors spirit (PMS), dual purpose kerosene (DPK) for household and aviation usage, gas oils, fuel oils and sulphur flakes. The lubes plant consists of eight units, and has the capacity to process 50 000 BPSD of imported crude oil into lube base oils, asphalt and waxes. Sulphur is also produced from the off-gases derived from the imported crude. The lubes plant is designed<sup>171</sup> to process heavy crude oil from Kuwait, Venezuela (Lagomar), Saudi Arabia (Arabian light crude), and Russia (Urals). The Arabian light crude oil is currently being processed. The changeover from the Lagomar crude, processed since the plant's inception, to Arabian light crude was in October, 1988 to solve the bottom of the barrel problem. The following are the various finished products of the Kaduna Refinery and Petrochemical Company:

***Finished Products of Refining & Petrochemical Plants Kaduna***

- i. Premium Motor Spirit (Pms)
- ii. Kerosine (Aviation and Domestic)
- iii. Liquefied Petroleum Gas (LPG)
- iv. Automotive Gas Oil (Ago-Diesel)
- v. Low Pour Fuel Oil (LPFO)
- vi. High Pour Fuel Oil (HPFO)
- vii. Lube Base Oils (LBO)
- viii. Hydro-Finished Wax (HFW)
- ix. Asphalt (A)
- x. Linear Alkyl Benzene (LAB)
- xi. Benzene (B)
- xii. Heavy Alkylate (H A)
- xiii. Kero Solvent (KS)
- xiv. Normal Paraffins (NP)
- xv. Toluene (T)
- xvi. Aromatic Solvent (AS)
- xvii. Heavy Paraffins (HP)
- xviii. Sulphur Flakes (SF)

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<sup>171</sup>Nigerian National Petroleum Company, Brochure, 7.

Below are the production rates of the petroleum resources per day being processed by the Kaduna Refinery and Petrochemical Company.

**Table 4.3 Production Capacity Kaduna Refinery at Installation**

S/No	Product	Production Rate
1	PMS	3,857 MT/DAY
2	KEROSENE	1,686 MT/DAY
3	AGO [DIESEL]	3,000 MT/DAY
4	A AGO [DIESEL SPHALT]	1,796 MT/DAY
5	LAB	91 MT/DAY
6	BASE OILS	657 MT/DAY
7	LPG	620 MT/DAY
8	FUEL	2,100 MT/DAY

Source: Nigerian National Petroleum Company, 2007

Since we have examined the historical background, goals, and objectives of the establishment of the Kaduna Refinery and Petrochemical Company, we shall now examine the underlying causes of its low capacity operation and subsequent closure for some years. It should not be forgotten that during the military regime of General Sani Abacha (1995-98] the crisis in the oil industry reached its peak. In this period all production stopped, which seriously damaged the economy. According to Aminu Abdullahi,<sup>172</sup> a staff member of the Kaduna refinery, the oil crises was artificially created by the regime, which paved the way for most of the top corrupt government officials to import the refined oil from abroad through which they became copiously rich at the expense of poor Nigerians.

It is worth noting that most government-owned ventures are inefficiently run, losing money through stealing and mismanagement. The people involved are politicians, whose interests are always in what they can get for themselves, not the interests of Nigerian. Vandalizing and destruction of NNPC properties by bandits seriously crippled the production and distribution of petroleum resources, occurring where exploration wells in Warri Delta State fwere linked by pipelines to the Kaduna refinery.

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<sup>172</sup>Confidential interview with Aminu Abdullahi, former staff member, NNPC, Kaduna, 27 December, 2014.

It should be remembered that the Federal Government of Nigeria decided to construct a nearly 2 000 mile pipeline in 1970s, which linked the refineries and 19 storage depots throughout Nigeria. Initially the programme was introduced in order to meet future fuel demands and to overcome current shortages caused by the inadequacy of existing roads and railways.<sup>173</sup> The construction of the pipeline by the NNPC started in Warri and ran to Kaduna. It covered 370 miles, passing the rain forest, crossing through savannah, until it reached Kaduna. At first the pipe was designed for crude oil, but used on a batch basis it carried refined fuel from Warri to Kaduna. It was also used for pumping crude oil to the Kaduna refinery.

According to Aminu Abdullahi, the major problem that led to a decrease in production and sometimes closure of the Kaduna refinery was the serious vandalizing of pipelines and other NNPC equipment by the communities through whose lands the pipeline crossed. People in those communities always claim that they produced crude oil for the country as the pipelines passed through their lands, but they were living in abject poverty. Another reason given for vandalizing pipes and stealing crude oil was lack of development in their areas. According to the Pipe lines and Products Marketing Company (PPMC), a subsidiary of the NNPC runs a total of 5 001 kilo metres of oil pipeline. The table below shows the drastic decline in the production of Kaduna and the other three refineries from the time of installation to 2007.

**Table 4.4 Nigerian National Petroleum Refineries Performance**

S/No	Refineries	Date of Commission	Installed Capacity	Current Capacity/ output (BPD)
1	Port-Harcourt I	1965	190,000	60,000
2	Port-Harcourt II	1989	150,000	50,000
3	Warri	1979	125,000	85,000
4	Kaduna***	1980	110,000	70,000
	<b>Total</b>		<b>440,000</b>	<b>265,000</b>

**Source:** Nigerian National Petroleum Company, 2007

From the above table it could be perhaps said that production of barrels per day in Kaduna refinery declined from 110 000 per day to only 70 000 me as at 2007, while Port-Harcourt II

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<sup>173</sup>Op cit, 2014.

decreased from 150 000s barrel per day to only 120 000. However, Warri refinery reduced from 125000 barrel per day to 100,000. In the table analysis it can be noted that only the refinery of Port-Harcourt I had increased output after several years of upgrading from complete collapse in 1990s. The factors that led to either closure or a reduction in production in the Kaduna refinery can be summarized as follows;

- Ageing and inadequate vessels
- Old and obsolete equipment
- Pipeline vandalizing
- Lack of flexibility in management
- Lack of power and operation throughout the system.

Owing to the accumulation and persistence of these problems affecting oil sectors of the economy, particularly the refineries, in 2000 the Federal Government under Chief Obasanjo set up a committee to review all aspects of petroleum supply and distribution. The committee recommended that the downstream oil sector should be deregulated in three phases.

#### **4.5 Federal Superphosphate Fertilizer Company Kaduna**

This was an important industry whose closure would affect not only the socio-economic development of Kaduna State, but that of Nigeria in general. The fertilizer company in Kaduna was established by the Federal Government with the sole purpose of meeting the fertilizer demand of the farmers in Northern Nigeria. It was also among the major objectives to boost agriculture, create jobs for the rural dwellers, and curb rural-urban migration. In its early days it provided jobs, and fertilizer and other chemicals for farmers. Owing to a poor feasibility study before the establishment of the company, some years later it ran into the problem of lacking raw material. As has been mentioned, one of the reasons for locating industries in Kaduna was the availability of raw materials. However, some industries were established without giving consideration to the availability of nearby raw materials. The Kaduna Fertilizer Company was one such industry, having to import about 75% of its raw materials.

The major raw materials used in the production of phosphate fertilizer include phosphate rock, sulphur and limestone.<sup>174</sup> The phosphate rock was imported from the mine at Kpene in the Republic of Togo. The mineral is said to be high grade, containing approximately 37% of

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<sup>174</sup> I.D. Suleiman, *Industrial Location in Kaduna*, 23.

phosphate nutrients, and it is very expensive. The only deposit of phosphate minerals known to be significant in Nigeria is at Oshogun, near Abeokuta in western Nigeria. It is not of high quality, although it can be upgraded to produce satisfactory material for super-phosphate manufacture. However, the known reserves are in small quantity, not enough to sustain the industry for even a year with a planned annual consumption of 60 000 tons of phosphates rock.<sup>175</sup>

The sulphur for the production of sulphuric acid was imported all the way from Mexico. The only known source in Nigeria lies in the sulfide lead-zinc deposits in East- Central Nigeria. Of the three raw materials required only limestone is found locally in Plateau and Benue states. This has led to the closure of the mill.<sup>176</sup>

#### **4.6 High Rate of Importation of Foreign Products**

The high volume of imports is another factor that has contributed significantly to the collapse of industries, not only in Kaduna State but in Nigeria as a whole. The import of goods and services, including finished products, has seriously damaged not only the industrial sector, but also the entire economy. It is seen as the cause of underdevelopment and dependency since the companies and industries that carry the words “Made in Nigeria” have all fallen apart.<sup>177</sup> Nigerians’ dependency on the Western capitalist for their products can be traced as far back as the trans-Atlantic slave trade, when people were exchanged for gunpowder or guns. The intruding of the British into the country in 1900 paved the way for exploitations, making channels for the movement of products to the western world and then manufacturing them into a better product. Some of their products are food, which includes cocoa for born vita, palm oil for soap and other food items, which are brought back into Nigeria, and cause the collapse of indigenous industries, and widespread unemployment.

Nigeria is one of the most endowed nations with human and natural resources in the world. But statistics show the growing incidence of smuggling, counterfeiting and faking that has contributed to the collapse of our industries. Our findings show that as at 2006, textiles seized by the customs were worth of 1.6 billion. As at 2008, a mere 408 million worth of textiles were seized. It seems the Federal Government has given up on smuggling and counterfeiting.

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<sup>175</sup> Suleiman *Op cit.*, p. 24-26.

<sup>176</sup> P. Kilby, *Industrialization in an Open Economy*: Nigeria, 34.

<sup>177</sup> Publication of Textile Worker Vol.4 No.30, April 2009, Re-industrialize Nigeria, Sharp Decline in textile Production In Lagos, Nigeria 2009, p.9

It is unfortunate when Nigeria cannot support its industrial development, and big industrial nations in Europe and Asia are providing structural support and incentives, including bailouts for industries. Nigeria has since 2006 not been able to raise a mere 480 million US dollars, equivalent to N70 billion, for the revival of the textile industry.<sup>178</sup> When similar crises rocked Portugal and Spain each raised 800 million dollars to support their textile sectors, and China and India are rolling out a series of palliatives to support their textile sectors.

The role of capital goods in the manufacturing sector is crucial. Capital goods are generally regarded as gross fixed reproducible assets or products that are not directly consumed, and for which a rental price is paid for the flow of services which they yield.<sup>179</sup> Essentially they are produced typically as machinery and equipment, and their contribution to the gross domestic capital formation is significant. The development of capital goods is a critical necessity for successful industrialization and technological development. Such development includes the need to reduce dependence on the industrialized countries, which is strongest for capital goods and technology, and reduce huge imports by poor (Third World) countries because of their balance of payment and debt crises. However, despite the importance of capital to industrial development it has not succeeded in Kaduna and in Nigeria in general. Failure to the manufacture of capital goods is due to number of factors, including: limited capital, a small internal market, poor technology, factional interests the relatively high expense of the project and the SAP to protect local industries.<sup>180</sup>

Research shows that Nigeria's imports increased to over US \$42.1 billion in 2009. According to the 2009 Global Economy Watch findings, heavy machinery and equipments, consumer goods and food products are the major imports. A large portion of Nigeria's imports arrive from the European Union, particularly the Netherlands, the United Kingdom, France and Germany, and also from China. The high rate of imports affected the country in various ways, including unemployment, the collapse of the local industries, and the production of counterfeit products.<sup>181</sup>

The high rate of import of foreign goods and services led to the closure of local industries in Kaduna in particular, and Nigeria in general. According to the *Saturday Sun* of 5 June, 2010,

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<sup>178</sup>A publication of Textile Worker Op cit., p.9

<sup>179</sup> B. Onimode "The Political Economy of Capital Goods Manufacturing in Nigeria", in Fadahunsi, A and Igwe, B.U.N, p.157.

<sup>180</sup>Ibid

<sup>181</sup> Global Economy Watch, 2009 Report, 65.

unemployment has forced about 200 graduates from various universities to commit criminal acts, and the closing down of garment industries has forced 100 000 workers out of their jobs.<sup>182</sup> The rampant import of goods and services into Nigeria has paved way for the endless importation of foreign products which in turn leads to the underdevelopment of the country, and made the economy dependent largely on the Western world and other developed countries. It has also paved the way the proliferations of counterfeit products, for the fact that some of the Nigerian-made goods are seen as inferior, and the foreign-made ones superior, has given some people the opportunity to take part in corrupt practices by making them in Nigeria and claiming they were manufactured abroad. Some of these products generator sets and VCD video compact ds;, food and drug products include: milk, baby food, and fake Artesunate, Ciproflaxin tablets, etc.<sup>183</sup>

For instance, in 2009, the Nigerian Customs Service confiscated a 40 foot long container of fake Kiwi polish at Ojo, Lagos, and burnt, it. The goods burnt were estimated to be worth 20 million naira. Thhe National Agency for Food and Drug Administration confiscated counterfeit drugs at Onitsha in Anambara State estimated to be worth about four million naira. The table below shows the importrate, volume and height of foreign goods imported into Nigeria from 2003 to 2009. However, the table shows the drastic increase (45.49%) in imports in 2009.<sup>184</sup>

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<sup>182</sup>*Daily Sun* 5 July, 2009, 34.

<sup>183</sup> Global Economy Watch, Op cit., (2009) p.67.

<sup>184</sup>*Daily Sun*, op cit 2009, 34.

**Table 4.5 The table shows Nigeria's import rate from year 2003 - 2009.**

YEAR	IMPORT VOLUME	HEIGHT
2003	13%	13
2004	14.54%	14.54
2005	16.1%	16
2006	25.95%	25.95
2007	25%	25
2008	38.5%	38
2009	45.49%	45.49

**Source:** Global Economy Watch, 2009 Report

#### **4.7 Imposition of Different Forms of Heavy Taxations and Levies**

The Federal and state governments have always contributed to industrial collapse through their various agencies and commissions which ideally are supposed to play a vital role in industrial development; instead they have contributed greatly to the collapse of most of the industrial establishments in Kaduna, and in Nigeria as a whole. However, the governments' bureaucratic, regulatory and fiscal policies are also a major impediment to Nigerian industrialization. The environment is too hostile for an investment which creates uncertainties and unmanageable unknowns for entrepreneurs, investors, and industrialists.<sup>185</sup> There are now over 20 government ministries, agencies, and parastatals at the three levels of government, i.e federal, state, and local, that industry has to contend with constantly.<sup>186</sup>

From the very beginning anticipated investors or industrialists are subjected to unnecessary expenditure by those government agencies, including the federal Inland Revenue service for federal corporate taxes, and personal income tax. This is a Federal Government agency established in all the 774 local governments in Nigeria that impose huge levies on industries and businesses without considering the challenges they face. In most cases they have compelled industries and businesses to collapse. The state governments have their own Board of Internal Revenue which charge the some levies on industrialies and other businesses. According to Usman Abdullahi, who worked for Harco based in Zaria, Kaduna, which collapsed in 1991, attributed the closure of their factory can be attributed to the excessive

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<sup>185</sup> A. Jide, *Industrial Development in Nigeria: A Case Study in Agribusiness*(2012), 4-5.

<sup>186</sup> Ibid

taxation of various kind, levied without considering other difficulties ranging from power shortages to transportation and running expenses. The combination of these problems forced the management to shut the factory down because it was running at a loss.<sup>187</sup>

The other levies and taxation agencies include value-added tax, local government revenue collectors, and Ministry of Agriculture produce tax collectors. The Federal Ministry of Labour and Productivity's regulations and requirements, and the Standards Organization of Nigeria demand all sorts of certification and documentation that affect businesses in Nigeria and overseas; this causes delay, and in the process a huge amount of money must be paid to the corrupt officials before an application is processed. Sometimes delay is for months, or even years.<sup>188</sup> The authorities request SONCAP certification, which is supposed to verify that a product that has the United States Department of Agriculture (USDA), the Food and Drug Administration of the United States (FDA), and British and European Union certifications and stamps of approval meet Nigerian standards through the Standards Organization of Nigeria (SON). But in fact, SON clearance may cause delay for months in the case of importation of raw materials for some industries from abroad,<sup>189</sup> causing significant stress, business disruptions, and possibly complete business failure and financial loss.<sup>190</sup>

Another impediment to industrial development in Nigeria, and especially in Kaduna, is the Ministry of Commerce and Industry. For example, as a PhD candidate and researcher I went, with an introductory letter from my supervisor, to the Kaduna State Ministry of Commerce and Industry in order to get some data that would help my work. The letter was presented to the Honourable Commissioner, but it took more than three months before it was attended to. In the end I had to pay for the services and photocopies.<sup>191</sup> This was for a researcher – but what if someone wants to establish an industry or business in the state? The Ministry of Industry has a weights and measures procedure that repeats what the Standards Organization of Nigeria has tested, checked, and confirmed. This is not helping businesses. Even the quality and level of knowledge in the Ministry is quite low, but they were given the authority

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<sup>187</sup> Confidential interview with Usman Abdullahi, former worker with Harco, Zaria, Harco Oil Seeds was established in 1980s. For several reasons, including unnecessary taxation, it collapsed in the 1990s.

<sup>188</sup> Confidential interview with John Musa, former staff member of Cadbury Nigeria, Ltd, at Kaduna, 27 February, 2015.

<sup>189</sup> J. Adediji, *Industrial development in Nigeria: A Case Study in Agribusiness*, p. 4.

<sup>190</sup> Ibid., pp. 4-6

<sup>191</sup> My experience during my visit to the Kaduna State Ministry of Commerce and Industry, which I had visited three times before finally getting some of the material related to the current research. And the services that were supposed to be free of charge I had to pay for.

to regulate, certify and control industry about which they have minimal knowledge or expertise. In most cases officers abuse their position because of illiteracy and lack of expertise.

Then there is the National Environmental Standards and Regulation Enforcement Agency (NESREA). They levy a charge on industry for using generators and discharging smoke into the environment. This is ridiculous: the government cannot supply electricity for its citizens, and then charge industry owners for producing their own power.<sup>192</sup> There is a similar body run by the state, the State Environmental Sanitation Agency, which repeats the procedure followed by the National Environmental Agency. In addition, there is an agency for outdoor advertisements revenue collection, who are simply licensed rent seekers. For a single business, the quagmire of agencies you need to navigate before you produce anything is suffocating and hindering industrialization.<sup>193</sup>

In September 2012, the Kaduna Chamber of Commerce, Industries, Mines and Agriculture (KADCCIMA), unable to swallow the bitter pill of multiple tax burdens, warned that investors were shunning Kaduna because of multiple and illegal taxes being levied on businesses by the state government and 23 local government councils. Taxes and levies enforced on manufacturers include: company income tax, value-added tax (VAT), personal income tax, pay-as-you-earn (PAYE), expatriate tax, withholding tax, a development levy, a business premises levy, a waste disposal levy, a tenement rate, a mobile advert levy, a loading/off-loading fee, a haulage levy, an environmental sanitation levy, a business/trade permit, a billboard levy, a vehicle outdoor levy, an inter-local government permit, a business registration levy, a signboard advert levy, a vehicle stickers levy, a road tax, a road worthiness levy, a borehole levy, a product levy, and a capital gains levy.<sup>194</sup> Other levies are: a state development levy, a land use charge, a sales tax on eateries, a commercial levy, a corporate parking/parking levy, a computer permit, a warehouse permit, a right of occupancy, a television and radio tax, a development tax, a terminal rate, an excavation levy, a generator levy, an expatriate income national tax, a sales tax, a banner/poster levy, a state waste/refuse

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<sup>192</sup> It is the sole responsibility of the states and Federal Government to supply electricity/energy to the public, and create an enabling environment for industrial development. Unfortunately in Nigeria the government is fining individuals and industrialist for devising alternatives.

<sup>193</sup>. Adedeji, *Industrial development in Nigeria:: A Case Study in Agribusiness*, p. 6.

<sup>194</sup> Confidential interview with Mallam Usman Isa, staff, Kaduna Chamber of Commerce, Industries, Mines and Agriculture (KADCCIMA), 2 December, 2014.

disposal levy, a national coverage fee, a land acquisition levy, a national freight levy, a haulage/heavy duty levy, telecommunication mask building, a fire regulation fee, a state coordinating task force levy, an accounting standards board levy, a certificate of ownership signing fee, National Union of Petroleum and Natural Gas Workers (NUPENG) petroleum products delivery levies, local government trucks tolls/levies, federal and state environmental protection agencies levies, federal and state fire service levies, and nuclear regulatory agencies levies.

It is imperative to ask this question at this juncture: the industrialized countries of the world such as China, the United States of America, Japan, British, Taiwan and Thailand – what have they done to enable industrial development? For example, the Chinese government supports a deal, favours the Chinese company, and guards the interests of China and the Chinese company. For our industries to survive and grow the entire impediments to industrial development must be addressed.

#### **4.8 Corruption**

Corruption is another big challenge not only to industrial development in Nigeria also to the corporate existence of Nigeria. At its root corruption in the economy is an individual matter as against the society's communal orientation. This emphasis on individuality was introduced and established by the colonial administration. This was done in order to gradually but systematically individualize society, and incorporated it into the imperialist and world capitalist system, thereby making the society dependent on the latter by producing what it does not really need and consuming what it does not produce.<sup>195</sup> These emphases on individuality stress the fact that every individual is for him or herself, and nobody is for the country.<sup>196</sup>

However, scholars have different perceptions of corruption. Ruzindana asserts that corruption in Africa is a problem of routine deviation from established standards and norms by public officials, and parties with whom they interact. He also identifies the types of corruption in Africa as bribery, private gain, and other benefits to non-existent workers and pensioners (called ghost workers).<sup>197</sup> The dishonest and illegal behaviour exhibited especially by people

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<sup>195</sup> F. Odekunle, *The Problem of Crime and The Economic Crisis in Nigeria: Origin, Dynamics and Solutions* (1985), p. 9.

<sup>196</sup> Ibid p. 9.

<sup>197</sup> I.B. Bello-Imam, "The War against Corruption in Nigeria: Prospects and Problems," *The Guardian*, day/month/2005.

in authority for their personal gain is corruption. According to the ICPC Act (section 2), corruption includes vices like bribery, fraud, and other related offences. Corruption is the abuse or misuse of power or position of trust for personal or group benefit (monetary or otherwise).<sup>198</sup>

Y. B. Usman identifies corruption as one of the major obstacles to development in Nigeria. Thus he maintains that corruption

is one of the important problems which the people of Nigeria have to tackle and overcome, if they are to make any significant and sustainable progress in the 21<sup>st</sup> century....Corruption means much more than public officers taking bribes and gratification, committing fraud and stealing funds and assets entrusted to their care. Corruption...means the deliberate violation, for gainful ends, of standards of conduct legally, professionally, or even ethically established in private and public affairs. These gains may be in cash or kind, or they may even be psychological, or political, but, they are made from the violation of the integrity of an entity and involve the subversion of its quality and capacity.<sup>199</sup>

Corruption is a symptom of numerous difficulties within contemporary societies. It usually involves more than one party. It takes the form of an organized crime. At times, an organization can be established on corruption to beget corruption. According to the perception index of Transparency International, Nigeria was ranked 144th out of 146 countries as at 2014, beating Bangladesh and Haiti to last position.<sup>200</sup> An analysis of the anti-graft/anti-corruption laws in Nigeria shows that corruption will continue in spite of the laws because the perpetrators do not fear any consequences. It is now dawning on the Nigerian public that private enterprise and legislators are free from scrutiny, and governors claim to be immune. According to Mr John Audu, a former staff member of United Nigerian Textiles, corruption, mismanagement and refusal of due process in running the affairs of the factory contributed to its collapse. He, however, attributed the sorry state of the textile industries in Kaduna to the failure of 19 Northern Nigerian State Governors who have the major share in the industries to come to their rescue.<sup>201</sup> It should be noted that corruption is pervasive in Nigeria. It is found in the award of contracts, promotion of staff, dispensation of justice, and

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<sup>198</sup>EFCC; ICPC, "Record Average Performance, Says Poll," April 7, 13.

<sup>199</sup> Y.B. Usman, *Corruption in Nigeria: Selected Writing of Yusufu Bala Usman*, x-xi.

<sup>200</sup>Isaac A. Olomolaiye, *Application of Anti-graft Act to the Private Sector*: (2006), p.9.

<sup>201</sup> John Audu

misuse of public offices, positions, privileges, and embezzlement of public funds. It is found in public books and other documents, in valuable security, and in accounts. Corruption can be systematic in nature and affect the whole life of an organization or society. For example, the Bank for Industry, which was established by law purposely to assist in the establishment of industries (particularly small, medium and large industries), has now been hijacked by individuals who enjoy government backing.<sup>202</sup>

The corruption in Nigeria which seriously affected the industrial development in Kaduna State in particular and Nigeria in general included the following:

Weak Government institutions, poor pay incentives, lack of openness and transparency in public service, absence of key anti-corruption tools, ineffective political processes, cultural acceptance of corruption by the populace, and the absence of effective political, ethnic and religious difference were major hindrances. One wonders why, despite the anti-corruption graft commission established by government, corruption is still in all sectors of the Nigerian economy. In 1999, President Olusegun Obasanjo presented a bill to the National Assembly called “The Prohibition and Punishment of Bribery, Corruption, and Other Related Offences Bill of 1999”. Obasanjo's regime has certainly fired the most critical shot at corruption in Nigeria in recent times, which resulted in the establishment of the Economic Financial Crime Commission (EFCC) and the Independent Corrupt Practices Commission (ICPC).

The government is always claiming to take measures through the enactment of laws and the enforcement of integrity systems, although concrete results are yet to be felt, which has seriously undermined the economy. In order to curb oil theft the Federal Government of Nigeria recently established the Nigerian Extractive Industries Transparency Initiative (NEITI) owing to reports of significant losses in oil revenue to corruption. The aim of the commission is to ensure transparency in oil, gas and mining, and it has compliant status with the Extractive Industries Transparency Initiative (EITI), which is aimed both at improving transparency in payment between extractive industry companies and government entities, and providing legal instruments to fight to increase transparency in oil, gas and mining sectors in Nigeria. The government has set up several investment portals providing oversight and information on investment requirements and business registration procedure. Progress has been made regarding public procurement procedures: guidelines have clarified procedures,

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<sup>202</sup> Abdullahi Mohammed staff of Bank of industry Kaduna Complete notes 68 and 69.

public tenders are now publically advertised, and observers note that foreign companies are increasingly treated as national companies. Nevertheless, corruption persists. However, the companies should note that it is still considered to be difficult to do business in Nigeria and that, for example, facilitation payments (i.e. bribes) to officials are still very normal when acquiring services. Property rights, contracts and commercial disputes can be difficult to enforce and settle in Nigerian courts owing to corruption, inefficiency and understaffing. The tax administration lacks transparency, resulting in high levels of tax evasion and in tax officials demanding bribes in return for lower tax rates. The police are perceived to be one of the most corrupt institutions in Nigeria, and the X-Squad (the disciplinary body responsible for investigating corruption inside the police) is reportedly no less corrupt itself. For nearly five decades the authorities concerned failed to do away with corruption in Nigerian. These are the prime reasons:

- Insincerity of government.
- Through Prebargaining and negotiation, highly placed officials caught for corrupt practices are made to part with some of their looted funds and are thereafter set free.
- Low deterrent': the punitive measures for corrupt practices need to be strengthened.
- Lack of virile political and social movements to tackle corruption. The mass of the people are yet to be mobilized in the fight against corruption.
- Lack of access to public information. A lot of secrecy still prevails.
- Obscurity of government documents: this underlies the need for the passage of the Freedom of Information Bill presently before Nigeria's National Assembly.
- Insecurity of informants. There is a need to enact laws to protect informants as well as reward them.
- Low public participation in governance.
- Corrupt electoral system.
- Nepotism.
- Systemic disorder.
- Weak government Institutions.

#### **4.9 Structural Adjustment Programme (SAP)**

The implementation of the structural adjustment programme is one of the prime factors that led to the collapse of industries in Kaduna in particular and Nigeria in general. When General Ibrahim Badamasi Babangida took the mantle of the leadership through a military coup on 27 August, 1985, he promised far-reaching reforms intended to lessen the major distortions in

the economy, and the foreign debts. Within a year, the new regime launched the comprehensive structural adjustment programme, incorporating key policies advocated by the World Bank and the international monetary fund (IMF). In its early stage it yielded significant results in stabilizing the economy and arresting decline in the industrial sector which the new regime inherited from the former administration.<sup>203</sup>

About two years after the implementation government wavered on core elements of the economy, and by the end of 1990 its packages were at risk. An array of subsidies were directed towards producers and consumers, and export proceeds were leveraged by foreign borrowing, but the rapid influx of cash fostered a dramatic increase in corruption; and the change in international petroleum markets led to a precipitous economic decline.

In 1984 the regime of General Buhari rejected the conditions offered by the IMF to the Nigerian government, which included the devaluation of the naira, liberalization of trade, and the removal of subsidies on fuel and other commodities; in fact the regime opened a nationwide “IMF debate” at popular public hearings where the nation’s future was discussed. The opinions of Nigerians were also invited through both electronic and print media as to whether the government should accept and implement the IMF’s conditions. In the end Nigerians broadly rejected the implementation of IMF, World Bank, London Club and Paris Club conditions, in view of which the Buhari regime announced that Nigeria would not accept them. The implementation of the new package (SAP) paved the way for the current economic crisis which Nigeria is experiencing to this day. Peter Lewis sums up:

Babangida introduced orthodox measures of reform under a nationalist guise. The ‘home-grown’ package was negotiated with World Bank officials, and was promised upon supplementary finance from the Bank. Nonetheless, some form of accommodation with the IMF was also necessary for Nigeria to reschedule its debt with the Paris and London Clubs. The introduction in July 1986 of formal SAP, which elaborated and extended the key provisions of the January budget, provided a further step towards such agreement. In November, the IMF approved Nigeria’s eligibility for a standby facility. Although the regime refused to draw upon the available credits, the fund’s endorsement expedited debt negotiations and opened the door to loans; Nigeria acceded to the core donor conditionality,

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<sup>203</sup> P. Lewis Prom, “Prebendalism to Predation: The Political Economy of Nigeria”, *The Journal of Modern African Studies*, p. 79.

with its attendant monitoring and performance requirements. ... A number of policy shifts had altered the basic character of economic strategy in Nigeria by the end of 1986. The import licensing system was abolished and tariffs were substantially reduced. Following the creation of a second tier foreign exchange market, the ensuring currency auctions, managed by the Central Bank of Nigeria produced a de facto 66 percent devaluation in the Naira. Agricultural prices were de-controlled and government commodity boards were dissolved, leading to significant increases in export activity. In addition, 18 agricultural parastatals were liquidated or sold; the state-owned import company for consumer commodities was closed. Staff reductions were implemented in other public firms and agencies<sup>204</sup>

The SAP package achieved the following: the introduction of a second tier foreign exchange market which led to a substantial devaluation of the naira; the abolition of import licences, changes to import duties intended to reduce the protection of the domestic industries and the import-dependence of manufacturing, the abolition of export duties, deflationary management policies, deregulation of the banks, and a programme of privatization for some parastatals.<sup>205</sup> The prime feature of SAP was devaluation of the naira through foreign exchange auctions. For example, before the introduction of the SAP package two dollars was equivalent to one Naira. Later, the naira was allowed to depreciate gradually to nothing within five years. At present the naira/dollar exchange rate is 240 to one.<sup>206</sup>

The substantial depreciation of the naira against major currencies had increased the cost of production in Nigeria. The production and use of locally produced basic intermediate inputs by local industries were discouraged. The profitability of local production compared to imports fell significantly because of the substantial depreciation of the naira against major international currencies, and because of the insatiable taste of Nigerians for foreign goods that created a buoyant black market economy which enabled the lace market to undermine the domestic textile industry for which Kaduna and Zaria provided a textile manufacturing

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<sup>204</sup> Op cit., Lewis pp.83-84.

<sup>205</sup> Confidential interview with Sanusi Usman, an economist, at Zaria, Kaduna, Nigeria, 24 June, 2014.

<sup>206</sup> Ibid

nucleus: Kaduna, Arewa, and United Nigerian Textiles, Ltd.<sup>207</sup> The far-reaching impact of SAP is still visible in the Nigerian economy.

#### **4.10 Lack of Patronage**

The lack of patronage products made in Nigeria has been the major problem for industrial development. The implementation of the SAP in 1986 made our borders porous, and Nigeria became a dumping ground for foreign goods and services. This made our products inferior in the eyes of other countries, which subsequently led to the rejection of our products abroad. According to the former Minister of Industry, Trade and Investment, over 103 Nigerian products exported abroad in the last five years have been rejected for not meeting international quality standards. He stated that lack of standard testing laboratories was the cause of the products' rejection, and that for Nigeria to be able to compete with other technologically advanced nations it must meet the required standards for exports, as buttressed below:

We all say we want to diversify the economy with a view to increasing our income from non-oil products. But there is no way we can achieve this without having quality infrastructure such as the laboratory. For instance, we could not export yam to the United Kingdom because we do not have a laboratory to test it here. Those who export products in Nigeria take them to Ghana to test them and the credit goes to Ghana. In the last five years, Nigeria has had more than 103 rejects. If you compare that to other African countries like South Africa and Ghana, who only have between six to seven rejects, ours are unacceptable.<sup>208</sup>

The Minister said that the problem of food quality and safety either for domestic consumption or for export requires serious attention. Nigeria, like many other countries, faces the challenge of providing an adequate food supply for its teeming population. Policies and programmes aimed at boosting agricultural and food production are being actively promoted. However, he stated that for Nigeria to compete and export goods it must be part of an internationally accredited laboratory. The standards organization of Nigeria has a key role to play in Nigeria's drive towards the diversification of its economy by ensuring that goods

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<sup>207</sup>World Bank, *Nigeria's Structural djustment Program: Policies, Implementation, and Impact* (Washington, DC: 1994)10. By 1986 the value of the naira had dropped incrementally from about onenaira to the dollar to nothing.

<sup>208</sup> Dr Olusogun Aganga for the Minister of Industry, Trade and Investment, stated that during the Lagos international trade fair, 2009.

produced in the country meet the standard and quality requirements. A World Bank report estimated that developing countries will lose about \$6.9 billion by 2015 to rejections of their exported food items.<sup>209</sup>

#### **4.11 Lack of Proper Implementation of National Development Plans and Industrial Development Policies and Strategies**

From the time Nigeria attained its independence in 1960 to date, there have been four consecutive national development plans introduced by various regimes dated 1962-1968, 1970- 1974, 1975-1980 and 1980-1985. The essential prerequisite was economic and sustainable development, with the industrial sector as part and parcel of the plan.<sup>210</sup>

All four national development plans were introduced with the objective of achieving and maintaining the highest possible rate of increase in the standard of living and creation of the necessary conditions for industrial development. The government of Nigeria realized that only substantial growth of the economy would make it possible to raise the average standard of living and provide Nigerians with the means for increased employment and improved education and health. In order to achieve this growth, the government recognized that as large a volume of resources as possible must be allocated to the directly productive sectors of the economy. For this reason, all four national development plans accorded the highest priority to agriculture, industry, and technical education.<sup>211</sup>

In the first national development plan, the federal and regional governments indicated clearly their interest in trade and industrial development:

Together with agriculture, the development of trade and industry has been accorded highest priority in the national development plan. The Federal Government's major aims in this sector may be summarized as: (i) to stimulate the establishment and growth of industries which contribute directly to growth. (ii) to enable Nigeria to participate to an ever increasing extent in the ownership, direction and management of Nigerian industry and trade...(a) Government will establish an integrated iron and steel complex and will participate in the establishment of an oil refinery. (b) Government

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<sup>209</sup>World Bank report on industrial exports in the developing countries, 2009.

<sup>210</sup> Federal Republic of Nigeria, *First National Development Plan 1962-1968*, 45-47.

<sup>211</sup> Ibid

will provide funds for direct participation in industries as the occasion arises. (c) Government will recognize a Development Bank that lends to industries and acts as one channel for foreign capital. (d) Government will establish an insurance company. (e) Government will provide for important services to trade and industry through research facilities, trade fairs and the like. (f) Last, but not least, Government will formulate, through legislation, policies to stimulate the growth of private industries.<sup>212</sup>

Despite all the above-mentioned promises in the blueprint for the national development plans, many were not implemented, so some parts of the programme were included in the second, third and fourth national development plans. One may ask why the recommendations contained in the national development plans were not fully implemented. According to Abubakar Mohammed, changes in government were a major impediment in the implementation of most of the programmes contained in the in the national development plans. He argues that from independence in 1960 to 1999 there were eight military coups in Nigeria, which seriously interrupted the peace process. In fact none of the eight successive military regimes implemented the national development programmes inherited from their predecessor. Instead they abandoned them and introduced new ones based on their own interests and aspiration.<sup>213</sup>

For instance, the first national development plan, a four-year programme, was introduced immediately after independence under a democratically elected government, but when the regime was toppled in 1966 the programme was instantly abandoned. Between 1966 and 1970 there was no national development in place until 1985, when another military regime came into power. From 1985 to date there has been no attempt to introduce any national development plan that would aid industrial development and the Nigerian economy in general, although under Babangida's military regime a Structural Adjustment Programme (SAP) was adopted.

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<sup>212</sup> Federal Republic of Nigeria, *First National Development Plan 1962-1968*, p. 60.

<sup>213</sup> Confidential interview with Abubakar Sadiqqe Mohammed, 14 July, 2015. He is a Senior Lecturer in the Department of Political Science, Ahamadu Bello University, Zaria, with degrees in Political science and Economics. He is an expert in economic development.

In the end, the programme had devastating effects on the Nigerian economy. Another military regime under General Sani Abacha introduced “Vision 2020”, which was later abandoned. The last attempt at a national programme was Vision 2020 under the democratically elected government of President Umar Musa Yar’adua, which was also subsequently abandoned.<sup>214</sup>

Beside military intervention there was upheaval and civil war. In 1966 the Biafran (civil) war erupted as a result of the killing of prominent Nigerians by a group of Igbos, which lasted for thirty months. During the war all government programmes stopped completely, which affected the implementation of the national development plans. When the war ended in 1970 government concentrated on reconstruction, rehabilitation and reconciliation, popularly known as three square R. The whole idea was to reconstruct the public buildings damaged by the war such as schools and hospitals, as well as roads and other important social amenities, and also to reconcile Nigerians over what happened during the war.<sup>215</sup> The backbone of the programme depended largely on the availability of funds for the projects. The table below represents the budget allocated to various regions and the central government.

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<sup>214</sup>Confidential interview with Abubakar Mohammed, 14 July, 2015.

<sup>215</sup>Confidential interview with Jibril Makama of No.4 Madarkachi Kwarbai, Zaria, 23 December, 2014.

**Table 4.6 The National Plan Sectoral Breakdown of Proposed Capital Expenditure 1962-1968**

S/No.	Sector	Federal	Northern Nigeria	Eastern Nigeria	Western Nigeria	Total	Percent Distribution
I	Primary production	20,466	22,494	30,361	18,439	91,760	13.6
II	Trade and industry	44,030	9,864	12,930	23,445	90,269	13.4
III	Electricity	98,140	1,500	600	1,500	101,740	15.1
IV	Transport system	103,957	24,660	8,850	6,350	143,817	21.3
V	Communications	30,000	---	---	---	30,000	4.4
VI	Water and other irrigation	1,863	7,442	5,100	9,853	24,258	3.6
VII	Education	29,154	18,949	8,805	12,855	69,763	10.3
VIII	Health	10,304	3,317	1,819	1,636	17,076	2.5
IX	Town and country planning	23,160	6,000	3,306	9,280	41,746	6.2
X	Cooperatives	---	2,439	---	1,500	3,939	0.6
XI	Social welfare	2,689	---	534	1,510	4,723	0.7
XII	Information	2,351	88	450	773	3,662	0.5
XIII	Judicial	272	---	250	442	964	0.1
XIV	General	43,915	993	2,067	1,114	48,089	7.1
XV	Financial obligation	2,200	---	120	1,600	3,900	0.6
	Total	412,501	98,803*	75,192	90,287	676,800	100.0

**Source:** *The Industrial Potentialities of Northern Nigeria*, Ministry of Industry (1963), 52, and Federal Republic of Nigeria, National Development Plan 1962-1968, Ministry of Economic Development, Lagos (1962), 51.

The above table represents the total proposed capital expenditure for various ministries for the regions (i.e Northern, Eastern and Western Regions) as well as the central administration (i.e. the Federal Government). Kaduna State was the headquarters of the defunct Northern Region. The sum of N98,803 was earmarked for all fifteen sectors which included trade and industry, electricity, transport, communications, water and irrigation, education, health, town and country planning, cooperatives, social welfare, information, and judicia and general services. Despite the fact that the first national development plan had considered trade and industry as the third most important sector with N9 861 after transport with a proposed N24 660, and education with a proposed N18 949. This, however, was not achieved.

According to Jibril Makama, the North could not achieve its because most of the funds proposed for the national development plans in Nigeria were funds expected to be contributed by international foreign aid. He says that foreign aid was expected to contribute about £327 million, , but Nigeria found itself at civil war, so the funds had to be diverted and used for the purchase of weapons and other equipment for the military in order to win the war. A large part of the money was used in humanitarian services for refugees who ran away from the areas most affected by the war – the provision of food, clothes, shelter and other necessities.<sup>216</sup>.

Beside military intervention there was upheaval and civil war. In 1966 the Biafran (civil) war erupted as a result of the killing of prominent Nigerians by a group of Igbos, which lasted for thirty months. During the war all government programmes stopped completely, which affected the implementation of the national development plans. When the war ended in 1970 government concentrated on reconstruction, rehabilitation and reconciliation, popularly known as three square R. The whole idea was to reconstruct the public buildings damaged by the war such as schools and hospitals, as well as roads and other important social amenities, and also to reconcile Nigerians over what happened during the war.<sup>217</sup> The backbone of the programme depended largely on the availability of funds for the projects. The table below represents the budget allocated to various regions and the central government.

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IV	Transport System	103,957	24,660	8,850	6,350	143,817	21.3
V	Communications	30,000	---	---	---	30,000	4.4
VI	Water and other Irrigation	1,863	7,442	5,100	9,853	24,258	3.6
VII	Education	29,154	18,949	8,805	12,855	69,763	10.3
VIII	Health	10,304	3,317	1,819	1,636	17,076	2.5

<sup>216</sup>Confidential interview with Jibril Makama of No.4 Madarkachi Kwarbai, Zaria, 23 December, 2014.

<sup>217</sup>Ibid.

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	Total	412,501	98,803*	75,192	90,287	676,800	100.0

**Source:** The Industrial Potentialities of Northern Nigeria, Ministry of Industry, 1963, P.52 and Federal Republic of Nigeria, National Development Plan 1962-1968, Ministry of Economic Development, Lagos, 1962, P.51

The above table represented the total expenditure proposed capital for various ministries for the Regions (i.e Northern, Eastern and Western Region) as well as central administration (i.e Federal Government). Kaduna State was the then headquarters of defunct Northern Region the sum of Ninety eight thousand eight hundred and three Naira only (N98, 803) was earmarked for all the fifteen sector which includes: trade and industry, electricity, transport, Communications, water and Irrigation, education, health, town and country planning, co-operative, social welfare information, judicial and general services. Despite the fact that the first national development plan had considered trade and industry as the third most important sector after transport with proposed 24,660 and education with proposed 18,949 while trade and industry with 9,864 but due to many factors this was not achieved.

According to Jibril Makama the North could not able achieved proposed target because most of the funds proposed to be used for the national development plans in Nigeria were funds expected to be contributed by international foreign aids. He further argued that the foreign aid was expected to contribute about £327 million for the implementation of the programme unfortunately Nigeria found itself in civil war therefore the fund had to be diverted and used for the purchase of weapons and other hard wears for the military in order to win the war, also a larger part of the money was used in the humanitarian services for refugees who run away from the most affected areas by the war (provision of foods, cloths shelter and other necessary assistant)<sup>218</sup>.

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<sup>218</sup> Confidential interview of Jibril Makama of No.4 Madarkachi Kwarbai, Zaria city, 23<sup>rd</sup> December, 2014

#### **4.12 Conclusion**

Several combinations of factors contributed towards the collapse of industries in Kaduna State in particular and Nigeria in general, including the inadequate energy supply from 1973 to 2001 which contributed tremendously towards the collapse. The extensive importation of foreign goods and services to Nigeria also affected industrial and business development, as did the imposition of heavy taxes and various other levies, corruption, and inept government and lack of local patronage. The textile industries collapsed because of the excessive importation of Chinese textiles, and the fertilizer chemical company because of the importation of raw material.

## **CHAPTER FIVE**

### **The Impact of the Collapse of Industries on Socio-economic Development, 1990-2010, and Its Aftermath**

#### **5.1 Introduction**

The chapter evaluates the impact of the collapse of various industries in Kaduna State on socio-economic development during the period 1990 to 2010, and its aftermath. The collapse has created a wide economic gap which may take a long time to be filled. Among the effects was unemployment: hundreds of thousands of workers lost their jobs, particularly in the manufacturing industries such as textiles and food processing. Statistics will be provided on unemployment. Other problems included widespread insecurity and inter-ethnic religious crises in virtually all the nooks and crannies of Kaduna State; in fact the current security challenges the country faces have a direct connection with the proliferation of unemployed youth. Poverty and ill-will are on the increase, which the state finds very difficult to contain. These and many other problems will be examined in this chapter.

#### **5.2 Insecurity**

The current security challenges facing Kaduna are most severe, threatening the economic development of Kaduna State. Since the end of the civil war in 1970, this has been the result of the collapse of industries within and around Kaduna State, which has rendered a significant number of people, particularly the youth, unemployed. The insecurity and criminal activities can be attributed to the failure of government to protect industries in the state from collapse, and create jobs for the teeming number of youth in Kaduna. The Kaduna State and Nigerian governments are increasingly unable to guarantee the lives and property of their citizens, which is their primary responsibility.<sup>219</sup> This is attested to by the numerous burnt and abandoned police stations and outposts dotted all over urban and rural Kaduna and Zaria since 1999 when the number of collapsing small, medium and major industries in Kaduna drastically increased.<sup>220</sup> The security expert Bukar Usman, for example, writes:

Insecurity slows down development on all fronts. Undoubtedly, national development requires the devotion of considerable resources to man development and execution of capital projects. Requisite manpower training requires a lot of money just as maintenance of security forces adequately equipped with the necessary

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<sup>219</sup> Kyari Op cit., 2014.

<sup>220</sup> Kyari Op cit., 2014.

capability to meet anticipated and untoward challenges. It is in anticipation of security challenges that as part of the security machinery standing forces are maintained by countries at great cost. Higher amount of resources is often required in the event of a serious crisis. Resources which would otherwise be required for national development under such circumstances are often diverted to combating the crisis thereby retarding national development efforts. Where necessary, the citizens are mobilized and their resources even commandeered to support the government.<sup>221</sup>

Certainly insecurity has contributed to the socio-economic backwardness of the people of Kaduna, and was primarily caused by industrial collapse, which also led to widespread poverty amongst the people of Kaduna and other parts of Nigeria, particularly the north. It should not be forgotten that the four major industrial centres of Northern Nigeria are Kaduna, Zaria, Kano, and Jos. These industries, which employed hundreds of thousands of people, are now closed down. According to Prof. Kyari Mohammed, “Nigeria continues to slide downwards in social, economic, and political conditions. The country ranks 14<sup>th</sup> out of 177 countries on the Failed States Index for 2012, being the only country not formally at war or war ravaged with such an abysmal rating.” In addition, the Mo Ibrahim Index on good governance, which rates African governments on four key indicators safety and the rule of law, participation and human rights, sustainable economic activity, and human development, put Nigeria at 41 out of 53 countries in 2011. Nigeria continues to rate very low on all indices, including the UN Human Development Index. In 2014 Nigeria was put at 49 out of 53. The highest level of poverty is in Northern Nigeria, which is shocking even by Nigerian standards. The table below shows the level of poverty by zones, in which Northern Nigeria has the highest, including the area of study (Kaduna).

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<sup>221</sup> Bukar Usman, “Leadership, Security and National Development”, a paper delivered at Faculty of Arts Annual Lecture, Ahmadu Bello University, Zaria, January, p. 5.

**Table 5.1 Incidence of Poverty across Nigeria's Six Geopolitical Zones by Different Indicators**

<b>Zone</b>	<b>Food Poor</b>	<b>Absolute Poor</b>	<b>Relative Poor</b>	<b>Dollar per Day</b>
North-Central	38.6	59.5	67.5	59.7
North-East	51.5	69.0	76.3	69.1
North-West*	51.8	70.0	77.7	70.4
South-East	41.0	58.7	67.0	59.2
South-South	35.5	55.9	63.8	56.1
South-West	25.4	49.8	59.1	50.1

**Source:** NBS National Poverty Profile, January 2012.

It is pertinent to note that Nigeria is divided into six geopolitical zones, which include North-Central, North-East, North-West, South-East, South-South and South-West. Kaduna is a state in the North-West with the largest population among the six geopolitical zones. The above table is a representation of the level of poverty among various states in the zones. The major cause of poverty was lack of employment among family households.

### **5.3 Proliferation of Crime and Violence**

It could be vehemently argued that the collapse of industries in Kaduna State resulted in several crises, criminal, religious and ethnic. The violence and crises can be well understood when contextualized and examined within the framework of the development process. Our research has shown that there is a clear relation between social disorder and unemployment in Kaduna State. Social disorder in states like Kaduna arises because of a rapid population influx into the state looking for jobs where opportunities are very limited. The resulting unrest threatens the peace of the state.

The major cause of the violence was the failure of the authorities to provide people with an environment where they can live and work in social harmony. The absence of such an enabling environment leads to unemployment, then violence and other crises. The aftermath of the industrial collapse led to an increase of unrest, violence, and criminal behaviour such as theft, including armed robbery and burglary. One of the interviewees attested that the whole of her family found themselves in a critical condition after her husband lost his job in one of the industries that collapsed in 2002:

We have been neglected by government after our husband spent the better part of his life serving the

company. Our children's education has come to a standstill; our daughters have become prostitutes and street hawkers, while our sons have become professional scavengers as well as smoke Indian hemp, simply because we cannot provide them the essentials of life. We have lost our husband in struggle, no food, no clothes to wear. We are victims of harassment of landlords, as well as customers of rent tribunals all over the state. We have lost our social status in the society. Our members have become cripples as a result of the Okada business.<sup>222</sup>

These circumstances continued to threaten peaceful coexistence among various people of Kaduna State, for example, from 1999, when industries in Kaduna experienced serious decline, to 2010, when major the majority of industries collapsed over six conflicts that occurred in the state: religious, ethnic, tribal, and about cattle farming. Over several decades, Kaduna, like other states of Nigeria, has experienced outbreaks of violence among various groups, though their level and number were somehow different from other parts of Nigeria. They were mostly between Muslims and Christians, although their fundamental causes can be traced to political and economic rivalries, rather than religious differences. This has largely do with the increased number of unemployed youth and other categories of people within the society who lost their jobs as a result of the closure of industries in the state in recent years. However, religion has come to the fore as one of the aspects with which people have identified most readily, and which has enabled leaders to stir up violence whenever it suited their purposes. Since 2000, in particular, the religious dimension to the tensions in Kaduna emerged more explicitly, as conflicts began to centre on the extension of sharia to criminal law, one of the most divisive issues in Nigeria in recent times.<sup>223</sup>

In 1999 Nigeria returned to democracy after a long period of military rule. During the campaigns and rallies a number of promises were made by the politicians, but once in office on 29<sup>th</sup> May 1999 they realized that it was impossible to fulfil the pledges made during their campaign. Some of the governments resolved to introduce the sharia legal system to Muslim-dominated states without foreseeing what the outcome might be in their heterogeneous, secular societies. The whole idea was to cover their inability to implement and execute

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<sup>222</sup>Confidential interview with Abdullahi Tanko, former worker in Kaduna Textiles, Ltd, at Kaduna, 2014.

<sup>223</sup>Kaduna State Religious Disturbances of February 2000, published by the Kaduna Stategovernment, April 2001.

development projects and address the economic hardship and suffering of the majority of the population who had lost their jobs.

The Governor of Zamfara (Ahmad Sani Bakura, now a serving senator) realized that bringing religion into the politics of his mostly rural state would secure him tenure in office. Therefore, without much hesitation, he touted the idea of governing the state according to purely Islamic law. The attempts of the Zamfara State government to introduce sharia law paved the way for other states in Nigeria to agitate for the same thing.

In Kaduna fighting began following debate around the proposed introduction of sharia in Kaduna State in 2001, when over twelve northern states had adopted some form of sharia law in their state after serious pressure from the predominantly Muslim populace. It is important to note that sharia is designed to apply only to Muslims living in these states (non-Muslim criminal suspects are not tried by sharia courts), but non Muslims have strongly opposed it as they feel directly or indirectly affected by it in different ways. For example, in some states, the sale and consumption of alcohol is prohibited, and women are prohibited from travelling with men in public transport. Aside from these practical effects of sharia, many Christians have strongly opposed its application for reasons of politics and economics. Many opponents of the implementation believed it was a deliberate attempt to cover up the inability of the Kaduna State government to meet people's expectations, especially in the area of job creation.

The violence of 2000 in Kaduna took place in two main phases, sometimes referred to as "sharia 1 violence" and "sharia 2 violence". The first occurred from February 21 to 25 in which a number of people were killed. A month later a second outbreak occurred, with further killings from May 22 to 23. An accurate, total death toll has never been ascertained, and as is typical in these situations, government and police officials were keen to play down the figures. After pressure from human rights activists that government must investigate both immediate and remote causes of the crisis, and the damage caused, in the end a judicial commission of inquiry set up by the Kaduna State government reported that at least 1 295 people had been killed, an unspecified additional number were buried unidentified, and others were declared missing.<sup>224</sup>

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<sup>224</sup>White Paper on the Report of the Judicial Commission of Inquiry into the 2002 Kaduna violence, p. 23.

Interestingly, apart from the White Paper released by Kaduna State, Human Rights Watch conducted an independent investigation in order to ascertain the actual numbers of people killed and property lost during the violence. According to Human Rights Watch, the number of people killed in the 2000 riots far exceeded the figure of 2 000, and was likely to be closer to 5 000.<sup>225</sup>

The 2000 violence has had a lasting effect on the economy and people of Kaduna State; memories are still fresh, especially for those who lost relatives. Many people feel that their grievances have still not been addressed. According to Isa Maigari, who lost the whole of his family, the government has refused to do anything to bring the perpetrators of the massive violence and killing to justice. He has little hope that the organizers or perpetrators of the 2002 violence will be prosecuted. Some people believe that governments decided to avoid what they perceived as a risk of escalating the violence by charging and trying the individuals responsible. Many Muslims and Christians alike attributed the lack of prosecutions for the 2000 violence to significant political pressure from leaders of both communities, and feared that a similar absence of action would characterize the government's response to the 2002 violence.<sup>226</sup>

Apart from the trauma that individuals and families have suffered, and the ever-deepening divisions in the society, the physical effects of the violence of 2000 are still visible in the widespread destruction of houses and other buildings. The 2000 violence also caused large-scale population displacement, leading to a sharp segregation of communities in some areas. By 2002, residents were describing particular areas of Kaduna town as "100 per cent Christian" or "100 per cent Muslim." This was largely as a result of the 2000 events and to a lesser extent the clashes of previous years. Christians and Muslims increasingly moved to areas which were dominated by people of their own faith in the hope of finding safety there; many of them did not return to their original areas of residence. Following the 2002 violence, this physical segregation of parts of the city appears to have increased – an indication of deepening polarization in what was once a genuinely mixed population.<sup>227</sup>

The ethnic, religious, and tribal crises began to surface in Kaduna State in 1987, 1988, 1991 and 1992, then in 2000, 2001, 2002, and 2012. The major factor has to do with economic

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<sup>225</sup>*Amnesty International Annual Report*(2001), and *Human Rights Watch Report*(2002).

<sup>226</sup>Confidential interview with Isah Mairiga, Conducted at Rigasa, Kaduna on 23 December, 2014.

<sup>227</sup>E.O.Alemika and Festus Okoye (eds.), published by Human Rights Monitor (2002).

hardship. It may be recalled that in the 1980s the military regime of General Ibrahim Badamasi Babangida adopted a new policy known as the Structural Adjustment Programme (SAP), which had devastating effects on the economy: many industries were compelled to close down, which left hundreds of thousands of people jobless. This gave birth to serious outbreaks of violence in Kaduna State in 1987, 1992 and 2000.<sup>228</sup>

### **5.3.1 The Repercussions of Crises**

It is essential to understand some of the causes of the violence in Kaduna in November 2002. In February and May, 2000, occurred some of the most serious intercommunal violence that Nigeria had seen in recent years. At least 2 000 people, possibly many more, were killed in fighting between Christians and Muslims in Kaduna. Some commentators have described the 2000 Kaduna riots as the single worst outbreak of violence in Nigeria since the 1967-70 civil war. The loss of property and other economic resources cannot be overemphasized. Usman Choir, one of the victims, stated:

On February 21, 2002, Kaduna State clocked two years after the unprecedented devilish event that besieged the integrity and reign of peace and harmony enjoyed by the diverse religious and ethnic nationalities of the state. It was indeed a year that commercial institutions in the state suffered paralysis. Even the famous Kaduna International Trade Fair of that year was discolourful [*sic*]. It was a year lives were lost, property worth millions of naira were vandalized, some carted away by hoodlums. Indeed those who worked hard to earn their money and prosperity lost them to the idle ones. Many today, are still counting their losses, while the opportunists are today enumerating their gains with evil smiles on their faces.<sup>229</sup>

### **5.4 The Consequences of the Collapse of the Textile Industry**

A section of industry whose collapse affected many people and the economy of the state were textiles. According to Suraj Garba, Human Resources Manager of United Nigerian Textiles, the textile industry's contribution to GDP was more than 50% of the manufacturing sector's. For decades the textile industry was the second largest employer of labour after government, employing over 500 000 workers. Apart from the temporary shock of the 1980s during the Structural Adjustment Programme years, which was quickly overcome through a process of

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<sup>228</sup> Usman Chaori, "Two Years after Kaduna Mayhem", *New Nigerian*, 30, 2002:p. 8.

<sup>229</sup> Ibid

backward integration, the industry recorded steady growth, operating between 60% and 80% of installed capacity, with dominant market share and employing thousands of workers on an annual basis.<sup>230</sup>

Garba argued that since the beginning of the current crisis in early 1990 following the uncritical adoption of the World Trade Organization's guidelines, the industry has witnessed an unprecedented decline in operations and the workforce. The impact on jobs, employment, and the economy were quite dramatic: employment in the textile industry decreased from 500 000 in the 1980s to about 30 000 in 2008 and that was only in Kaduna and Zaria.<sup>231</sup> As at 2010, the termination year of this research, there were fewer than 20 000<sup>232</sup> workers employed.

However, according to Reginald Agulanna, President of the National Union of Textile Workers, they first study the circumstances before responding to the crisis. Realizing that they were losing members by the day, the union put its heads together with those of other stakeholders, particularly the textile employers, and this led to a series of mass action and meetings aimed at strengthening policy on interventions, and accelerating the revival of the Nigerian textile industry. These efforts culminated in the emergence of several supportive policies such as a ban on textile imports between 2003 and 2007, the introduction of export expansion grants, the 100% destination inspection policy for imported textile material, and the 100 billion naira textile and cotton intervention fund.

Agulanna argued that some of these policies had brought succour to the industry in the past. Rather than the strengthening and sustaining of some of these policy measures, however, we have witnessed an uncritical reversal of policy by successive industry and commerce ministers and their administrations.<sup>233</sup> He detailed how the union was unrelenting in their campaign for systematic and sustainable policy intervention for the revival of the industry. As a result of the relentless struggle of the union and all other stakeholders on the issue of reindustrialization, the Federal Executive Council endorsed a N500 billion deal for the revival of the Nigerian manufacturing sector and the power sector, with the textile sector as

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<sup>230</sup> Confidential interview with Human Resources Manager, United Nigerian Textiles, Ltd, Kaduna, conducted at the factory, 20 July, 2015.

<sup>231</sup> The publication of the National Union of Textile, Garment and Tailoring Workers of Nigeria, *The Textile Worker*, 3 (27)(September, 2010): p. 10.

<sup>232</sup> Confidential interview with Reginald Agulanna, President of the National Union of Textile Workers, at Kaduna, 22 December, 2014.

<sup>233</sup> Ibid.

major beneficiary. The move for greater financial support for the real sector became more imperative as a result of the inability of the manufacturing sector to access credit to finance operations and stimulate private sector participation in the power sector. The latter was aimed at accelerating electricity generation for industrial needs.<sup>234</sup>

This new deal was supervised by the then Vice-President Muhammed Namadi Sambo, and the aim was to revolutionize funding for ailing industries. The fund was to be disbursed to beneficiaries at a concessionary interest rate of not more than 7%, with tenure of 10-15 years. The deal covered lending and refinancing of projects, restructuring of existing portfolios to manufacturers, and support for investment in industrial clusters' power supply. The former Vice-President Namadi Sambo said the intervention by the Central Bank of Nigeria, which was headed by Sanusi Lamido Sanusi, now the Emir of Kano, was creative because the sector had suffered immensely from infrastructural and access to credit problems. He explained how the funding was pledged to be given as far back as 2010, and was in two components: the first was for small and medium enterprises and the manufacturing sector, and the second component was for funding the power sector, which was critical for industrial development.<sup>235</sup>

Additionally, the then Central Governor of Nigeria gave the textile industry hope that the banking industry could be a catalyst for the manufacturing sector. He also promised that beyond funding, the Central Bank of Nigeria would provide advice and impact assessment to aid the growth of the manufacturing sector. In the end, the Central Bank's target was economic growth, poverty alleviation, mass employment, and wealth creation. With this renewed commitment by the CBN, and by extension the Federal Government, there were high hopes once again for the return of industries, in particular textile industries, in Nigeria.

The table below shows the total number of all the industries located in Kaduna State as at 2010. These included manufacturing, textiles, automobiles, etc. As shown by the table, the textile industry has a total of 11 mills in the state. Manufacturing has 192 establishments, automobiles have two, media, printing and publishing have 26, health and pharmaceuticals five, and mining has four. Agriculture and food processing with 137, and oil and petrochemicals with 8 brought the total number of industrial establishments to 385.

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<sup>234</sup>Confidential interview with Reginald Agulanna, President of the National Union of Textile Workers, at Kaduna, 22 December, 2014.

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**Table 5.2 Number of Industries in Kaduna State as at 2010**

<b>S/No.</b>	<b>Industry</b>	<b>Number</b>
1	Textiles	11
2	Manufacturing	192
3	Automobiles	2
4	Media, printing & publishing	26
5	Health & pharmaceuticals	5
6	Mining	4
7	Agriculture & food processing	137
8	Oil & petrochemicals	8
9	Total	385

**Source:** Kaduna State Ministry of Industry, Commerce and Trade, 2014

The table below represents the status of industries in Kaduna, i.e operational, low level operation, dormant and closed down. In all the industries identified by this research only 170 of a total of 385 are in full operational capacity, mostly the agriculture and food processing industries. The research also identified 85 out of 385 industries that are currently operating below capacity; 36 of the 385 are dormant, and 36 have been closed for decades.

**Table 5.3 Number of Industries and Their Status in Kaduna as at 2010**

S/No	Industry	Operational	Low Capacity	Dormant	Closed	Total
1	Textiles	0	1	0	10	11
2	Manufacturing	61	80	16	35	192
3	Automobiles	0	1	0	1	2
4	Media, printing & publishing	17	1	5	3	26
5	Health & pharmaceuticals	1	0	2	2	5
6	Mining	0	2	2	0	4
7	Agriculture & food processing	86	0	10	9	137
8	Oil & petrochemicals	5		1	2	8
9	<b>Total</b>	<b>170</b>	<b>85</b>	<b>36</b>	<b>62</b>	<b>385</b>

Source: Kaduna State Ministry of Industry, Commerce and Trade, 2014

**Key: Operational** means an industry that functions at its installed capacity.

**Very low capacity** means an industry that functions below its installed capacity.

**Dormant** means an industry temporarily out of operation or inactive.

**Closed** means an industry that had already shut down because of the break-up of its operation.

The table below shows the status of various industries in figures and percentages. Interestingly, most of the premises of the industries visited in both Kaduna and Zaria revealed that both the closed and dormant industries are not operating at all. In fact, in most of the premises visited I met nobody except security at entrances. (See Appendix III for pictures of the industries in Kaduna, Zaria and other parts of the state.)

**Table 5.4 Figures and Percentages of Industries' Status in Kaduna as at 2010**

S/No	Industry	Operational	Low Capacity	Dormant	Closed	Total
1	Textiles	0	1	0	10	11
2	Manufacturing	61	80	16	35	192
3	Automobiles	0	1		1	2
4	Media, printing & publishing	17	1	5	3	26
5	Health & pharmaceutical	1	0	2	2	5
6	Mining	0	2	2	0	4
7	Agriculture & food processing	86	0	10	9	137
8	Oil & petrochemicals	5		1	2	8
9	<b>Total</b> <b>%</b>	<b>170</b> <b>47.48</b>	<b>85</b> <b>22.07</b>	<b>36</b> <b>9.35</b>	<b>62</b> <b>16.10</b>	<b>385</b> <b>100</b>

Source: Kaduna State Ministry of Industry, Commerce and Trade, 2014

**Key:**

**Operational:** 170 representing 47.48%

**Operating at very low capacity:** 85 representing 22.07%

**Dormant:** 36 representing 9.35%

**Closed down:** 16 representing 16.10%

## 5.5 Closure of Industries and Loss of Jobs

At one time Kaduna State and Nigeria were industrial giants, with substantial investments in textiles, automobiles, food and beverages, chemicals, foot-wear, household equipment, and light industrial goods providing huge employment for the people and huge revenue for government. In fact in 1990, the manufacturing sector made a significant 8% contribution to gross domestic product with mass employment of labour.<sup>236</sup> But there has since been a virtual collapse of the country's industrial base. The manufacturing contribution to GDP in 2008 stood at a token 4.13%. The entire shoe manufacturing chain is lost and the textile sector, amongst others, is on the verge of total collapse. It should be remembered that Nigeria was a functioning productive economy in terms of its broad productive sector, but was turned into a "cargo" economy trading in virtually all kinds of imported and smuggled goods once produced in large quantities for the domestic market.<sup>237</sup> In the specific instance of the textile sector, capacity use was as high as 70% in the 1980s and 1990s, with stimulating policies

<sup>236</sup> "Re-industrialize Nigeria, Create Jobs", *The Textile Worker* 4 (30)(April 2009):p. 1.

<sup>237</sup>"Re-industrialize Nigeria, Create Jobs", *The Textile Worker* 4 (30)(April 2009):p. 2.

supporting backward integration. This had a positive effect on employment, with the industry employing as many as 128 000 workers in 1997. Indirect employment was over 500 000, but in 2010 capacity use stood at below 25%, and two years earlier employment in the sector was estimated to be about 24 000. At its peak, the textile industry had greater control of the local market with locally produced fabrics accounting for over 80% of the local market, with total dominance in the wax and super prints market. In our field research we found out that among all the categories textiles accounted for less than 20% of the market. Incredibly, the wax and super prints, previously the strength of the local producers, are now imported from China and other parts of Asia in spite of a ban on them.<sup>238</sup>

The industrialist Mohammed Mahmoud believed that globalization and its attendant neo-liberal policies of trade liberalization and unfair trade practices contributed in large part to the erosion of the industrial gains of Nigeria's post-colonial era. The state of affairs is a reflection of the virtual destruction of the very system that produced these industries in the first place. In the main the problem is one of governance. The United Nations Industrial Development Organization (UNIDO) in 2003 identified a number of critical factors which included policy inconsistency, smuggling, the poor state of infrastructure and unreliable electricity supply,<sup>239</sup> as noted in the previous chapters.

On Tuesday, 9 October, 2007 one of the national dailies, the *Daily Trust*, reported that Nigeria had reached a very significant milestone that week when United Nigerian Textiles, Ltd closed down for the first time in 43 years (1964-2007). According to the report it was the last surviving textile firm in Kaduna, a city once famous for its numerous mills. The chairman, Senator Walid Jibril Sarkin Fulanin Nassarawa, said "It was a painful decision." At the end of it all, 4 000 workers lost their jobs. It is important to note that the closure of the last textile mill in Kaduna was very significant in so many ways. In the first place, it marked the end of the industrialization dreams of the first premier of Northern Nigeria, Ahmadu Bello, the Sardauna of Sokoto, and the first generation of post-colonial leaders of Nigeria who invested a lot of resources to create an industrial backbone for Northern Nigeria (now Kaduna State).<sup>240</sup>

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<sup>238</sup>"Revival of Textile Industry: Struggle Yields Results", *The Textile Worker* 3 (27)(September 2009): p.1

<sup>239</sup> Confidential interview with Mohammed Mahmud held at Zaria, Kaduna State, January, 2015. He was of the few people who owned a textile industry before its collapse in 2009.

<sup>240</sup>*Daily Trust*, Tuesday, 9 October, 2007: 23-24.

The textile industry has been the primary basis for the emergence of industrialization in all nations of the world. The generation of leaders led by the Sardauna realized that Northern Nigeria should create a textile industry on the basis of the abundant cotton produced in the region, and so Kaduna became the heart of one of the most important textile industries in Africa, as we have examined in Chapter Two of this research. Interestingly, at its height, tens of thousands of people were employed in the industrial estates of Kaduna, while the multiplier effect was generated in the vibrancy of economic life in Kaduna, Northern Nigeria and all around the country. The Kaduna textile industry and other industries gave birth to an industrial working class whose emerging political consciousness could be harnessed in the consolidating of industrial unions.<sup>241</sup>

Abdu Umar, contended that the origin of the national crisis in the industrial sector must be traced back to the austerity measures of the second republic under President Shehu Shagari (1979-1984). Even so, there was no conscious effort to dislocate or destroy the industrial component of the nation's economy. The regime that introduced structural adjustment under the military Head of Government, General Ibrahim Babangida, opened up the economy in a more systematic manner, giving us the most definitive warnings about the consequences which could follow the implementation of the policies associated with the Bretton institutions. In spite of its consequences, the SAP did not totally uproot industrial life in Kaduna. Both employees in the industry and other working people found survival mechanisms which at least kept the industries working and the workers in employment. The rumble of the monster was already being heard in the distance, though, and that was the monster of liberation of the economy with the so-called Washington consensus, neo-liberal reforms and complete surrender to the dictates of imperialism.<sup>242</sup>

The Bretton Woods institutions are the World Bank and the International Monetary Fund (IMF). They were set up at a meeting of 43 countries in Bretton Woods, New Hampshire, USA in July, 1944. Their aims were to help rebuild the shattered postwar economy and promote international economic cooperation.<sup>243</sup> The original Bretton Woods agreement also included plans for an International Trade Organization (ITO), but these lay dormant until the World Trade Organization (WTO) was created in the early 1990s.

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<sup>241</sup> "Requiem for Food and Beverages Industry", *The Textile Worker* 4 (30)(2009):p. 5.

<sup>242</sup> Confidential interview with Dr Abubakar Saddiqueat Zaria, Kaduna State, Nigeria. He is a Doctor of Philosophy in Economics and Political Science, and has been an employee of United Nigerian Textiles, Ltd. He is well versed in the area.

<sup>243</sup> [www/IMF.com](http://www/IMF.com)

However, it is of paramount important to note that the IMF was claimed to have been established in order to promote economic and trade relations and preventing global economic depression, as stated below:

The creation of the World Bank and the IMF came at the end of the Second World War. They were based on the ideas of a trio of key experts – US Treasury Secretary Henry Morgenthau, his chief economic advisor, Harry Dexter White, and British economist John Maynard Keynes. They wanted to establish a postwar economic order based on notions of consensual decision-making and cooperation in the realm of trade and economic relations. It was felt by leaders of the Allied countries, particularly the US and Britain, that a multilateral framework was needed to overcome the destabilizing effects of the previous global economic depression and trade battles. In his opening speech at the Bretton Woods conference, Henry Morgenthau said the “bewilderment and bitterness” resulting from the Depression became “the breeders of fascism, and finally, of war”. Proponents of the new institutions felt that global economic interaction was necessary to maintain international peace and security. The institutions would facilitate...creation of a dynamic world community in which the peoples of every nation will be able to realize their potentialities in peace.<sup>244</sup>

The IMF further claimed to have been established to create a stable climate for international trade by harmonizing its members’ monetary policies, and maintaining exchange stability. It would be able to provide temporary financial assistance to countries encountering difficulties with their balance of payments. The World Bank, on the other hand, would serve to improve the capacity of countries to trade by lending money to war-ravaged and impoverished countries for reconstruction and development projects.

Dr Saddique argues that apart from the implementation of IMF policies in the 1980s and 1990s by the Babangida regime, the Obasanjo regime was the most unpatriotic in the history of Nigeria; in fact a kleptomaniac regime, which agreed to implement the economic reforms promoted in 2003 by the World Bank and IMF. The implementation of those anti-people reforms led to the collapse of several industries and left over half a million textile workers jobless.

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<sup>244</sup>[www.imf.org](http://www.imf.org) international monetary fund official site.

## 5.6 Food and Beverages Industry

The food and beverages industry was second to the textile industry as an employer of labour in Kaduna State. However, this industry shared the fate of other collapsed industries in Kaduna and Nigeria. The statistics show that no fewer than 5 000 employees of Cadbury Nigeria, plc, Nigerian Breweries, Ltd (NBL), flour mills and other beverage companies in Kaduna lost their jobs between November, 2008 and April, 2009.<sup>245</sup> A breakdown shows that NBL retrenched about 400 pensionable staff, and Cadbury declared 300 workers redundant. In the flour mills more than 400 lost their jobs, De-united (makers of Indomie Noddles) sacked 300, and Rofico Nigeria, Ltd about 100.<sup>246</sup>

## 5.7 Automobile Industry

A huge investment in the steel sector in the 1970s raised hope for expansion in the automobile sector in Nigeria, with vehicle assembly plants scattered across the country. With Peugeot Automobiles Nigeria (PAN) in Kaduna, Volkswagen of Nigeria (VON) in Lagos, steyr plant in Bauchi, Leyland in Ibadan and NMI assembling Fiat trucks and other articulated vehicles in Kano, there was hope that one day, and very soon, Nigeria was going to develop “Made in Nigeria” cars and trucks. But with the prolonged economic crisis and lack of focus in industrial policy, the entire auto sector is now comatose. Even after the privatization of some of the plants, Nigeria still relies heavy on importing vehicles.<sup>247</sup>

Alhaji Bashir Borodo, the President of the Manufacturing Association of Nigeria (MAN), has described the efforts which their association made to save PAN from total collapse because of its importance to the economy not only of Kaduna State, but also the whole of Nigeria. He ascertained that the factory in Kaduna seems to be the only surviving automobile plant, offering skeletal services, of the above-mentioned five car industries in Nigeria. He described the situation there as a “sorry state”. He stressed that the government needed to intervene urgently to save PAN from total collapse. Failure to do so would mark the end of the only surviving automobile industry in the country. He attributed the crisis facing the industry to unfriendly Federal Government policy, and lack of patronage.<sup>248</sup>

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<sup>245</sup>Union Secretary and food and beverages worker at Kaduna, 6 March, 2015.

<sup>246</sup>“Requiem for the Textile Industry”, *The Textile Worker*4 (30)(2009):p. 9.

<sup>247</sup> Update about the Crisis in the Nigeria Peugeot Company:The Journey How Far (2009), p.23

<sup>248</sup>Alhaji Bashir Borodo, President of the Manufacturing Association of Nigeria

It should be remembered that the PAN was established in 1972 as a joint venture between the Automobile Company of France and the Federal Government of Nigeria, and that when it was in full operation, it produced more than 500 000 cars. At one time it produced up to 90 000 cars in a single year and employed over 4 000 people. Unfortunately, this story has changed: in 2010 the company had only 300 staff, which means over 3 700 staff had lost their jobs.<sup>249</sup>

The Chief Executive Officer of PAN, Alhaji Ibrahim Boyi, has confirmed that in 2010 the factory produced fewer than a thousand cars. If you quantify that against the current tax, you see the amount of loss that the Nigerian economy has suffered. The workers who lost their jobs have suffered a great deal, as has the company's dealerships across the nation.<sup>250</sup>

Another crucial issue that contributed to the collapse of PAN was the proliferation of fake spare parts. Research has shown that there are 70% to 80% fake spares in various Nigerian markets. So the chance of buying genuine spares is only 20to 30%.

The importation of both brand-new and used cars also contributed to the collapse of PAN. Nigeria spent 4.2 billion naira on importing vehicles in 2010 alone, and higher figures in 2011 and 2012. Imports have continued to increase, boosting the economies of countries where the vehicles are manufactured, while the indigenous automobile companies have continued to face low patronage. According to Olusegun Aganga, former Minister of Industry and Commerce, to tackle this challenge, grow the Nigerian economy and create more jobs, the Federal Government needs to introduce an automotive policy that would support the establishment of automobile companies in Nigeria and the revival of the metal, steel and tyre manufacturing industries. The manufacturing of the Peugeot vehicle has placed Nigeria in the league of automobile producing countries. The Minister said the government would ensure that the automotive policy would not only be implemented, but sustained.<sup>251</sup>

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<sup>249</sup>List of closed/collapsed industries in Kaduna State, published by *Daily Trust*, 7 September, 2010, 23.

<sup>250</sup>Alhaji Ibrahim Boyi, "PAN, the Way Forward" (paper presented by the Chief Executive Officer of PAN at the Lagos International Trade Fair, June, 2009), p. 8.

<sup>251</sup> Confidential interview with Alhaji Bashir Borodo, President of the Manufacturing Association of Nigeria (MAN), at Kaduna, 20 December, 2014.

## **5.8 Decay in Infrastructural Facilities and Decrease in Revenue Generation**

The revenue generated from the industrial sector in Kaduna State contributed greatly to new infrastructure such as roads, schools, and hospitals, and the provision of portable drinking water as well as other basic social amenities. It should be noted that over 90% of state and local governments in Nigeria rely heavily on grants from the Federal Government, with the exception of a few industrial base states such as Lagos, Kaduna and Kano. These states generated a lot of revenue from their industries which were subsequently used to provide social amenities to the people of the states.

By the 1980s, however, these revenue generation bases began to suffer from the collapse of industries, as we have shown in the previous chapters. This automatically affected the performance of the states in the provision of social amenities. Kaduna State was one such state in which the collapse of industry led to a decrease in what is called internally generated revenue (IGR). As a result the state failed not only to provide basic necessities to its people, but was unable to pay wages to its workers. This was attested to by the Kaduna State Governor, Malam Nasir Ahmed El-Rufa'i:

Kaduna State was left prostrate by the last administration. Our first shock after preliminary analysis of the finances indicated that even after combining receipts from the Federation Account and internally generated revenue; the previous government could not settle personnel and overhead costs of the State and Local Governments without monthly borrowing. In simple terms, the former Kaduna State government and its local governments existed only to pay salaries, and they borrowed monies monthly to keep the governments running. The civil servants and the political appointees – that is, the servants of the 8 million people of Kaduna – were consuming over 100% of the income of the state, leaving nothing for the development of education, healthcare, agriculture, roads, and water supply. We all will agree that there is no family that will accept spending even 90% of its income on the house-help, security man, and the cook. Yet that is what the former state government and all the local governments were clearly doing.<sup>252</sup>

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<sup>252</sup> N. A. El-Rufa'i, "How we met Kaduna State and what we are doing to change it" – State of the state broadcast by Governor of Kaduna State, Wednesday, 29 July, 2015.

The state became highly indebted. The current total indebtedness of the state is put at N74.297bn, comprising N28.840bn in domestic debt and N45.44bn in foreign debt. The state government alone has unsettled liabilities to contractors, consultants, and suppliers of about N25bn and shortfalls in pension contributions of N8.371bn. The extent of bank debts and contractor liabilities of the 23 local governments is outrageous. However, these debts need to be serviced, and high debt service costs are weighing heavily on the states and adversely affecting capital expenditure, particularly developmental projects.<sup>253</sup>

It must be stated that the level of decay of infrastructural facilities in the whole of the state cannot be overemphasized. This was happening as a result of a decrease in internally generated revenue. Furthermore, the little money received as grants from the Federal Government were mismanaged; in fact 80% of the state revenues were spent on running the government and satisfying the wants of the few that had been elected or appointed to office. Sometimes, all the resources, with some extra borrowing, were consumed by these few people in power and those they favoured. This was the major reason why healthcare, agriculture, education, infrastructure and job creation were not advanced.<sup>254</sup>

In education, particularly primary and secondary schools, the collapse of industries and decrease in government revenue affected the sector seriously. It should be recalled that the provision of Western education by different levels of government in Nigeria had begun in the colonial era.<sup>255</sup> Hence, since time immemorial, particularly in this part of the country, people had been compelled to send their children to school. Therefore, the conscription of pupils into the native authority schools was essentially directed at the less privileged families. It was not until much later that children of the privileged class were enrolled in schools.

During the 1960s, however, the condition of schools in terms of adequate materials, and competent, dedicated teachers was such that more and more parents were encouraged to send their children to schools. In 1962 the number of schools, classes and pupils was 243, 1 005 and 37 521 respectively. In 1982, two decades later, there were 1 353 schools with 526 258 pupils and 12 915 teachers spread all over the state. Kaduna State has 1 510 primary schools with 14 180 classrooms. However, the total number of pupils enrolled in all the schools is

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<sup>253</sup>*Daily Trust*, 24 June, 2014: 45.

<sup>254</sup>*Ibid*

<sup>255</sup> I.M. Abbass, *The Demise of Education in Kaduna State*, p. 4.

570 103 with 13 886 teachers, as the following table reveals. It should be observed that from 1982 to 1994 schools increased by only 1 579, which included Zauruka, Garages, etc., while pupils and teachers increased by 43 845 and 971 respectively.

**Table 5.5 Summary of Schools, Classes, Pupils and Teachers for Selected Years**

YEAR	SCHOOLS	CLASSES	PUPILS	TEACHERS
1962	243	1,005	37,521	NA
1982	1353	NA	526,258	12,915
1994	1510	14,180	570,103	13,886

Source- Ministry of Education Headquarters, Kaduna, 1994.

In Kaduna State the physical conditions in primary schools have shown that the number of pupils has outnumbered the capacity of the existing classrooms, even when fewer than 30% of school-age children attend schools. This situation became worse after the introduction of the UPE Scheme in 1976. It was expected that new schools and classrooms would be built to correspond with the increase in the enrolment of pupils, but this did not take place as only very few schools/classrooms were built. Since then, however, pupils have been put in overcrowded classrooms where teaching and learning cannot effectively be done. Some children are still worse off as they receive their instruction in garages and even under trees. This inadequacy forced the local government to introduce a shift system – morning and afternoon – but notwithstanding, pupils still take lessons in harsh environments. Our findings estimated that both local and state governments would require more than the existing number of classrooms and teachers to phase out the shift system in schools.

Hence between 1988 and 1991 funds expended to run the primary schools in Kaduna State on the three-tier basis reached up to N97 247 964.00k. The contribution of each tier of government was N45 840 883.00 from the local governments, N28 702 249.00 from the State government and N22 704 832.00 from the Federal Government.<sup>256</sup> It must be noted here that in spite of the increasing amount of funds going into the coffers of the local governments with relative improvement in performance, enrolment from 1988 to 1990 continued to decrease yearly, largely because people still hated the idea of enrolling their children in public schools, or in schools at all. By the year 2000 over 80% of all schools, primary,

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<sup>256</sup>Source- Ministry of Education Headquarters, Kaduna, 31-33.

secondary and even tertiary were already in critical condition: most of the structures had collapsed, and teaching facilities were no longer attainable by teachers and students.

The conditions in secondary schools are so pathetic that urgent steps have to be taken to improve them. The 1989 Senior Examination results may reveal what the situation in 1994 may have meant. The 1989 SSCE results for Kaduna State show that 18 482 candidates sat for the examination. The overall number of students that obtained five credits and above was 412, which represented 2.23%. However, only 100 candidates obtained five credits and above including English and Mathematics, which represented 0.54%. These were the candidates that were qualified for direct university admission, but very few were indigenes of Kaduna State. A drastic decrease in government revenues as well as pervasive corruption among public office holders in the end affected the socio-economic development of Kaduna State.

## **5.9 Media, Printing, Publishing and Construction Industries**

Another sector of industry that suffered the same fate as other industries in Kaduna were the media, printing, publishing and construction industries. Most media, printing and publishing enterprises, both privately and government owned, have closed, with the usual loss of jobs. In media and printing houses alone our findings show no fewer than 25 000 workers lost their jobs.<sup>257</sup> Among the media houses, the most affected is the New Nigeria Newspapers Company, which was established by the former premier of the defunct Northern Region in 1964, with a mission to serve as the voice of the people of the region. The New Nigeria, Ltd was initially owned and controlled by the Northern Region until 1975, when the regional government was abolished and replaced with a federal system. This gave the Federal Government of Nigeria the constitutional right to take over the company. By 2002, the 19-strong Northern Nigerian governors forum requested the former President Obasanjo to hand over the ownership and control to them. In this way the gateway to its collapse was opened.

In a situation where most state governors could not generate revenues for their state, and could not afford to pay salaries and wages, how could they be expected to run a private enterprise Shehu Abdullahi, who happened to be an employee, attests that immediately after being taken over by the Northern governors in the name of Northern Nigerian sentiment, the situation began to deteriorate to such an extent that they spent 36 months without salaries,

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<sup>257</sup>*Daily Trust*, 10 May 2010: pp. 23-27.

which subsequently compelled the management to close down the company.<sup>258</sup> He said that over 12 000 workers lost their jobs, with the company owing them a lot of their benefits. Our research shows that in Citizens Communications (Nig.), Ltd, Democrat Newspapers, and the Hotline Publishing Company (Nig.), Ltd about 3 000 workers lost their jobs, and Mavertik Consults & Associates, Ltd, Mavertik Consults & Associates Nigeria, Ltd, and Baraka Press and Publishers, Ltd are operational, but at very low capacity.

The Secretary of the Nigerian Union of Printing Press Proprietors' Workers, Kaduna State branch, attributed the massive closure of the media industry to many factors. According to him, the entire media industry is now totally dependent on imported raw materials as virtually all local newsprint manufacturing industries are under lock and key. The list includes the Nigerian Newsprint Manufacturing Company, Ltd, Oku-Iboku, the Nigeria Paper Mill, Jebba, and the Iwopin Pulp and Paper Company, Ltd. He also listed some of the underlying causes of the media industry's collapse. They include high costs and poor electricity supply, high duties on the imported raw material (newsprint), multiple taxation, and delay in clearing goods.<sup>259</sup>

The wave of job losses did not spare the construction industry. Our research shows that over 12 000 jobs were lost at Sterling Civil Engineering without payment of terminal benefits. Similarly, hundreds of jobs were lost at PW Nigeria, Ltd, Mothercat Nigeria, Ltd, Sahni Nigeria, Ltd, and Gilmor Engineering, Ltd, all in Kaduna State.<sup>260</sup>

## **5.10 Conclusion**

This chapter has examined the effect of the closure of industries in Kaduna on the socio-economic development of Kaduna State. Hundreds of thousands of workers, both managerial and labouring, lost their jobs in various factories within Kaduna metropolis and 23 local governments in the state. One of the immediate aftermaths was an increase in insecurity of both people and their properties. In Binin Gwari alone over 100 people were killed in a single day, and between 1999 and 2010 over 5 000 cows were stolen by cattle rustlers. These crimes occurred as a result of increased cuts in jobs in the industrial sector in Kaduna State and Nigeria in general. Between 1999 and 2010 over 2 000 people were killed in what are called

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<sup>258</sup>Confidential interview with Shehu Abdullahi, at Zaria, 23 January, 2015.

<sup>259</sup>Confidential interview with Emmanuel Jacob, Secretary of Nigerian Union of Printing Press Proprietors' Workers, at Kaduna, 20 April 2014.P.8.

<sup>260</sup>*Daily Trust*, 7 August 2010: p. 23.

sharia crises, but the real cause was the economic decline which many scholars attributed to the drastic closure of industries in the whole of the state.

Our research has established that in the textile industry alone about 500 000 workers in Kaduna State lost their jobs, over 5 000 workers lost theirs in the media industry, 5 000 in food and beverages, and over 3 700 in the Peugeot Automobile Company. In fact it will take a long time to address the problem of industrial decay which is the major challenge for Kaduna State and Nigeria as a whole.

## **CHAPTER SIX**

### **The Contributions of Manufacturing Industries to Kaduna State's Economic Development up to 2010 and the Way Forward for Industrial Development**

#### **6.1 Introduction**

The chapter attempts to examine the contribution of the surviving manufacturing industries and other industries within Kaduna. The contribution of the surviving industries includes provision of employment opportunities, social infrastructure, and other essential services.

Also, the chapter attempts to proffer a solution to the rampant industrial decline and collapse in Kaduna State in particular, and Nigeria in general. It also makes an interesting suggestion for the way forward which, if fully implemented, the industries in Kaduna will be fully revived and could be harnessed and used for the economic development of Kaduna State. In the preceding chapters we have identified and examined major causes of the industrial collapse, which included power shortages, multiple taxations, the import of foreign goods and services without proper border control, corruption, and failure to implement successive national development plans (1968-1985). It is against this backdrop that the chapter suggests a way forward for industrial development.

#### **6.2 The Surviving Industries**

The present study reveals that almost all the industries in Kaduna State are located in Zaria and Kaduna urban centres. Indeed, all the heavy manufacturing industrial establishments are concentrated in Kaduna alone. Also, this research established that the location in Kaduna and Zaria are influenced by government policy and probably the market. For example, the high concentration of textile manufacturing industries in Kaduna with just two in Zaria, and none in Soba, Maigana or Saminaka which are cotton producing towns, illustrate the strong governmental control.<sup>261</sup>

The surviving industries in manufacturing industries include those that are either in full operational or in low capacity of operation. These include: the United Nigeria Textile Limited, Kaduna Refinery, Taupauling, The Ikara Tomatoes Company, an automobile assembly plant (PAN). Other

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<sup>261</sup>: Index of Economic Activities in Kaduna State, Ministry of Economic Planning, Kaduna State Government, April, 2010, P.18

surviving major manufacturing industries in the State include Super Phosphate Fertiliser Company Ltd., National Oil and Chemical Company Ltd and Petro chemical Company Ltd. There are other small to medium scale industries too numerous to list but are very important in providing potable equipment for rural dwellers' use (e.g in old "Panteka" market, construction of metal doors, windows and frames, boxes; grinding stones, huller machines; Kitchen wares, oxplough blade, planters, shellers<sup>262</sup>, etc.

### **6.3 Contributions of Manufacturing Industry and Others Sector to the Economy**

For better understanding of the contribution of the manufacturing sector of the economy of Kaduna and Nigeria in general. One need to understand the type of economic being practiced, Ngeria is a middle income, mixed economy and emerging market, with expanding financial, service, communications, technology and entertainment sectors. Nigeria recently changed its economic analysis to account for rapidly growing contributors to its GDP, such as telecommunications, banking, and its film industry.

A rapidly growing manufacturing sector plays an important role in indirect employment. In addition to the well-known role of stimulating backward linkages to primary sectors, growth in manufacturing also promotes growth and employment in services sectors. It also rising national income as the driver of services growth and employment is fundamentally more sustainable than when the growth of services is fuelled by increases in household debt levels.

The influx of cheap imports in to Nigeria hurts employment in the manufacturing sector. As a result, employment gains in debt-driven service sectors were insufficient to make any serious dent in unemployment over this period. The revenue being generated from manufacturing sector has direct impact on the growth and employment potential of services requires the revitalization of the manufacturing sector so that real national income can be increased.

Based on statistics Kaduna gets money/fund from the share of oil which to 24 percent in 2007. In contrast, manufacturing sector has been relatively stagnant and losing from 6 percent in 1985 to a range of between 4 and 5 percent during the 1990-2007 period. Today, industry accounts for less than 2 percent of Kaduna State GDP. Industrial sector contribution to Kaduna GDP is lower than is expected given that Kaduna was the capital of Northern Nigeria

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<sup>262</sup>Kaduna State ministry of Commerce, Trade and Industry, list industries in Kaduna, 2014, P 4

and thus had a head start on other states in the northern part of the country. Kaduna town was once part of the Northern Industrial Triangle. Most activities in the sector are in manufacturing. The stagnation of the industrial sector in the country manifests in the state as gradual demise of industries particularly since reforms and opening up of the economy.<sup>263</sup>

The challenges of the textiles industry, for example, highlight the difficulties of the industrial sector. The harsh economic environment has had a major effect on manufacturing in the state. It is instructive that electricity is one of the sectors the state did not contribute to national GDP. The energy deficiency has been a major limiting factor to development. Building and Construction also accounts for an insignificant part of Kaduna GDP. Investment in this sector is always considered important for a dynamic economy. Nigeria needs to create the condition for improvements in this sector. Indeed it consistently contributed less than 0.5 percent of State GDP<sup>264</sup>.

**Table: 6.1      Structure of Kaduna State Economy**

<b>Structure of Economic Activities in Kaduna State % of Total, 2002- 2008</b>							
	2002	2003	2004	2005	2006	2007	2008
Agriculture	88.37	86.904	80.462	81.222	80.684	80.848	80.927
Crop	86.121	78.803	78.069	78.673	78.238	78.382	78.406
Industry	1.107	1.245	1.349	1.365	1.320	1.271	0.677
*Manufacturing	1.085	0.993	1.317	1.330	1.276	1.227	0.632
Building and Construction	0.146	1.164	0.403	0.434	0.401	0.375	0.379
W/R Trade	2.360	2.160	3.606	3.762	4.388	4.288	4.523
Services	8.005	9.105	14.177	13.121	13.205	13.217	13.491

**Source:** Index of Economic Activities in Kaduna State, Ministry of Economic Planning, Kaduna state Government, April, 2010

The above table discussed the contribution of seven major sectors of the state economy in 2008 as shown on table it is observed that Agriculture was dominant, accounting for 80.927 percent of economic activities in the state. The next to it is services which accounted for 78.406 percent of economic activity is crop. It was followed by Whole and Retail Trade which accounted for 4.52 percent of state activities and industry which accounted for 0.677

<sup>263</sup> Op cit Index of Economic Activities in Kaduna State,P.20

<sup>264</sup>Op cit Index of Economic Activities in Kaduna State,P.22

percent of state activities. Manufacturing accounts for 0.632 percent of the economic activities and contribution to the economy. As shown on the table the manufacturing sector of the economy suffered serious setback as one of the major contributor to the economy in the 1960s and 1970s as discussed in the previous chapter of the study to virtually to nothing by year 2008. In fact the sector contributed on 1.085 percent in 2002, while in 2003 accounted for only 0.993 percent. And 2004 there was little increase to 1.317 percent, 1.276 and 1.227 percent in 2006 and 2007 respectively. As at 2008 the manufacturing sector contributed only 0.632 to the economy, this could be attributed to fact that was the period when the sector reached its peak of collapsing. At the bottom is Building and Construction which accounted for 0.379 percent of state activities.

It is important to note that agriculture is the mainstay of the economy of Kaduna State. As shown on table, it accounts for over 80 percent of state GDP over the period. In this sector, crop production dominates. Indeed crop production accounts consistently for 78 percent of Kaduna State GDP over the period. Livestock and fisheries make up the balance of agricultural production. The state does not contribute to forestry. The potential for livestock and fisheries is high in the state and can be promoted to increase the contribution to state and national GDP. The performance of the state as compared to other non-oil producing state has been enhanced by the growing strength of agriculture in the recent past. The declining share of agriculture in national GDP since the mid 1970s has been reversed since 1999. Agriculture's share of GDP rose from 30 percent in 1981 to 36 percent in 2000 and 42 percent in 2007. Agricultural States like Kaduna benefited from the improved performance of agriculture.

Wholesale and Retail trade contributed over 4.5 percent of state GDP in 2008. Its share of Kaduna GDP increased steadily from 2.3 percent in 2002 to its present contribution. The final major sector in the structure of the state economy is services. Globally, the expectation is that as the economy grows the role of services will increase. The expected structural shift in a modern dynamic economy is expected to move towards services<sup>265</sup>.

#### **6.4 Revenue Generation for the State**

The Manufacturing sector of the Kaduna state economy was one of the major suppliers of internally generated revenue for state which contributed immensely for the economic well-

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<sup>265</sup>Op cit Index of Economic Activities in Kaduna State,P.24

being of the State. According Professor Salihu Maiwada, a professor of industrial design Ahnmadu Bello University, Zaria confirmed that in the 1980s when he was doing his industrial attachment at United Nigerian Textile limited, Kaduna. There were four shifts that is to say the mills works for 24 hours non-stop through which the Kaduna state government genenated alots of revenue. He further argues that up to 2000s when major textile industries closed down. Textile industries were the major employer and revenue generator for state<sup>266</sup>. The Closure of major manufacturing industries in Kaduna has seriously affected the economy and revenue generation. The remaining surviving industries contributes very little to the economy as shown below

**Table: 6.2 Revenue Generated by Kaduna State Government between 2000 and 2008**

<b>Kaduna State Revenue and Other Receipts</b>		
	2000	2008
Gross Statutory	24.57	31.72
Distribution from excess crude A/C as augmentation of state allocation	-	6.60
Share excess Revenue	5.20	4.05
VAT	4.17	5.07
Internally Generated Revenue (IGR)	5.01	8.0
Grants	36.0	s-
Stabilization fund and others	-	-
*MANUFACTURING	1.67	0.61
Others	-	-
<b>Total</b>	<b>77.65%</b>	<b>56.7%</b>

**Source:** Central Bank of Nigeria Annual Report and Financial Statements, 2008

The above table indicates the major sources of revenue to the state which is statutory allocations. This dependence on a source of revenue that the state does not directly control is not reliable. From the above table one can see in 2000 the manufacturing sector of the economy contributed 1.67 percent by 2008 dropped to only 0.61 percent that explains how

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<sup>266</sup>Confidential interview of Professor Salihu Maiwada, Department of Industrial design, Ahmdu Bello University, Zaria, 21<sup>st</sup> March, 2016. He told me during the interview That manufacturing sector of the industrial sector was the major employer in the economy, He recalled during his service attachment and service years between 1981-1983 the hoge number of workers who employed by United Nigerian Textile limited

fast that manufacturing sector was declining. The most important is the internally generated revenue IGR/ which include the money collected by state from markets, shops, companies and other enterprises. For the eight years covered by table 6.2, the internally generated revenue IGR of Kaduna state was 5.01 percent and 8.0 percent of state total revenue respectively. This is certainly very low. Ordinarily one would expect a positive than the current figure; this is largely happened as result of massive closure of industries in the state.

## **6.5 Way Forward**

### **6.5.1 Power Sector**

Since energy has been identified as the backbone of industrial development, to address the challenges facing the sector (power shortages) a drastic and innovative strategy is required, especially as energy generation, transmission and distribution in Nigeria for appropriate development is a priority issue of government.

### **6.5.2 Planning and Operations**

A comprehensive review of the operation and management of the power sector targeted at efficiency and effectiveness is required. In that respect, the following should be undertaken:

- A detailed national load demand study should be carried out with a view to providing reliable information on the current practical and detailed power requirements, and a forecast for the next 25 years, as recommended by the World Bank.
- A detailed and practicable power generation, transmission and distribution master plan for Nigeria for today and the next 25 years should be produced.
- A detailed cost estimate for a phased development of the power supply on a state-by-state basis is required.
- Strategic roles of the states and local governments in the implementation of the National Master Plan must be explicitly stated.
- A cost-sharing formula for all tiers of government to fully participate in the development of a national power supply must evolve.
- The institutional arrangements on how the power sector will function with the federal government as the central implementation organ, working in tandem with the states and local governments, should be worked out.

- The clear role of the states in the energy sector, specifically required to serve as the state monitoring facility on resource contributions, their use and system efficiency should be strategized.<sup>267</sup>

### 6.5.3 Corruption

Since corruption has been identified as the major impediment for industrial development not only in Kaduna State but in Nigeria in general, the following measures must be taken. It should be remembered that previous administrations established the Independent Corrupt Practices and other Related Offences Commission (ICPC), the Economic and Financial Crimes Commission (EFCC). and the Code of Conduct Bureau and its tribunal with the primary objective of fighting against corruption; but unfortunately they performed below expectations – in fact instead of catching and prosecuting corrupt politicians and public office holders, they are being used as hunting dogs against government opponents.

- The Federal Government of Nigeria, in collaboration with the anti-corruption commissions, should ensure that those who collected loans from the Bank of Industry for the purpose of establishing industries are compelled to pay back the funds. It is attested by the current Managing Director of the Bank of Industry, Mr Rasheed Olaoluwa, that many people defaulted who borrowed from the bank:

....some banks had to close shop due to the inability or refusal of borrowers to pay back their loans.... [We} regretted the low level of loan repayment in the banking sector, [and] we advocated the establishment of commercial courts to speedily deal with [the] issue of loan defaulting, because most banks in the country had gone down because of non-repayment of loans by the customers. We need efficient commercial courts. We need access to funds to finance our businesses, but we also need to understand what the financial system is going through. When a bank collapses, nine times out of ten [the] reason why it collapsed is because they have not been able to recover their loans. I know there are bank cases that have been in court for the last 5 to 7 years with banks trying to recover loans that have proven very difficult because such cases are locked up in our normal courts. One way to address it is to have commercial courts that can fast track [the] process for foreclosure of defaulting bank loans.<sup>268</sup>

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<sup>267</sup> Sambo, Op cit., 3-16.

<sup>268</sup>“Bank of Industry Moves against Defaulters”, *Vanguard*, September 15, 2014: 32.

- The **public** should be educated and enlightened on the nature of corruption as well as the negative effects of corruption on the economy and society. This should be done through both print and electronic media. The federal and state Ministries of Information, and both federal and state Orientation Agencies should embark on aggressive campaigns.
- Since most of the cases of corruption in Nigeria have to do with money, a law should be established to compel all banks to report to both federal and state Boards of Inland Revenue/tax authorities, as well as the law enforcement agencies, any deposits, transfers or withdrawals of funds in excess of a specified amount (ten million naira) by any individual. Such a law should provide for automatic state confiscation if it turns out that the sources of such funds are proved in a court of law to be illegitimate, or are connected with money laundering.
- The authority concerned should ensure implementation of the required taxpaying in the form of capital gains tax to be levied against people who appear to have come into large sums of money illegitimately, or even legitimately.
- Most of the money accumulated through corruption in Nigeria is being used in purchasing houses, land and other real estate. In view of that both the federal and state ministries responsible for land and housing surveys should request applicants to indicate legal sources of funds for the development or purchase of a property, as well as evidence of income taxes being paid that are commensurate with the acquisition or possession of such valued property before granting Certificates of Occupancy and approval of building plans on registered plots of land.<sup>269</sup>
- Political, religious and community leaders should not interfere in the activity of the anti- corruption agencies (EFFC and ICPC), no matter who and how highly placed in the society the persons involved in corruption may be. We have seen a case in which the Federal Government of Nigeria pardoned the Governor of Bayelsa State, Diepreye Alamieyeseigha, after he had been convicted by a court of law in the United Kingdom. The Federal Executive Council of Nigeria, under the leadership of President Goodluck Jonathan, announced the pardon as stated below:

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<sup>269</sup>S.J. Okoye, *How to Tackle Corruption in Nigeria*, p. 7.

The Council of State, based on a request by President Good luck Jonathan, granted pardon to former Bayelsa State Governor, Chief Diepreye Alamiyeseigha, and some other President has pardoned a former state governor who was convicted of stealing millions of dollars while in office<sup>270</sup> persons who had been convicted for various offences. The law which mandated public declaration of the assets especially of political office holders and civil servants should be extended to other categories of people.

- The Federal Government should ensure all corruption cases are attended to, and judgement passed, in good time.

#### **6.5.4 Reviving Industrial Training Institutions**

It will be recalled that in earlier chapters we argued the imperative need to establish industrial training centres and institutions. Unfortunately, at present most of the industrial and training centres are no longer functional, and so for the industrial sector of Nigeria to be revived, these institutions also must be revived. The following suggestions are offered:

- a. There is a need for capacity building through training in high-technology, small- and medium-scale industries in the industrial sector, and the establishment of joint ventures in critical sectors.
- b. In order to have competent engineers in Nigeria, training facilities for engineering design, production engineering and metal fabrication should be established.
- c. Professionalism in the industrial sector of Nigeria should be promoted through the establishment and enforcement of standards in the profession.
- d. Trade and craft associations should be involved in the modern industrial techniques for mutual support and capacity building.
- e. Databanks of domestic resources of skills, equipment and facilities in the manufacturing sector should be established.
- f. Through training, industrial stakeholders should be properly guided as to how to develop their industry and its market.
- g. Both the federal and state governments should support and promote research in the area of industrial development in tertiary

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<sup>270</sup> [www.voanews.com/content/Nigerian-President-ex-governor](http://www.voanews.com/content/Nigerian-President-ex-governor)

institutions, particularly in all polytechnics and universities in Nigeria.

- h. Encourage originality and innovation by promoting research and learning in the sector.
- i. Adequate funds should be provided for research and training for the industrial sector of Nigeria. State governments with industrial potential should be encouraged to establish industrial training institutions.
- j. Special funds should be provided by the federal government and international donors with the aim of reviving industries.
- k. Quality control and standardization in small- and medium-scale enterprises should be promoted in order to create and maintain large and steady markets for their products.
- l. Linkages and partnerships with foreign enterprises should be promoted in order to facilitate technology transfer and trade in capital goods.
- m. Promote the establishment of enterprises and facilities in the critical areas of production technology and manufacture.
- n. Foster linkages and long-term contractual relationships between small- and medium-scale iron and steel enterprises and large-scale manufacturers and other customers.
- o. The performance of banks of agriculture and industry should be enhanced and adequate funds should be supplied. However, only those which deserve to benefit should be granted loans through due process.<sup>271</sup>

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<sup>271</sup> Y.B. Usman, "Mr President, are you serious about NEEDS?" Open letter to President Olusegun Obasanjo on the National Economic Empowerment and Development Strategy, pp. 21-23.

### 6.5.5 Incentives for Industrial Development

Previous governments have provided numerous incentives for industrial development in Nigeria, but the desired goals were not achieved. Therefore more effective incentives for industrial development should be provided, under strict supervision, as follows:

Companies' profits in respect of goods exported from Nigeria should be exempted from tax, provided the proceeds are repatriated to Nigeria and used exclusively for the purchase of raw materials, plant equipment and spare parts. Profits of companies whose supplies are exclusively used to manufacture products for export should be excluded from tax.

All new industrial undertakings, including foreign companies and individuals operating in an export processing zone (EPZ), should be allowed full tax holidays for three consecutive years. As a means of encouraging industrial technology, companies and other organizations that engage in research and development activities for commercialization should be allowed to enjoy 20% investment tax credit on their qualifying expenditure.

All companies engaged wholly in the manufacture of tools, spare parts and simple machinery for local consumption and export should be allowed a 25% investment tax credit on their qualifying capital expenditure. Any taxpayer who purchases locally manufactured machinery should be similarly entitled to a 15% investment tax credit on such fixed assets bought for use.<sup>272</sup>

In 1991 the Nigerian government established an EPZ, which allows interested parties to set up industries and businesses within demarcated zones, with the objective of exporting the goods and services manufactured or produced within the zones. The main thrust of the programme was to encourage the export of locally manufactured products.<sup>273</sup> For instance, Calabar in Cross River State has been designated as the primary EPZ territory in Nigeria. Incentives within the territory include tax holiday relief; unrestricted remittance of profits and dividends earned by foreign investors; no import or export licences are required; up to 100% foreign ownership of enterprises is permitted; sale of up to 25% of production is permitted in the domestic market, etc. Those are admirable incentives for industrial development, but implementation has always been the problem. All exports under the Nigerian value added tax

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<sup>272</sup>Federal Government of Nigeria, *Investment Opportunities in the Non-oil Sector*, pp. 24-34.

<sup>273</sup>Federal Ministry of Industries, *Nigerian Policy and Strategy Guidelines to Investors*, 23.

(VAT) system should be zero-rated, and dividends received from investment in export-oriented businesses should be free of tax.

The Nigerian government's overdependence on oil, which constitutes about 95% of revenue, has also contributed immensely to the decline and eventual collapse of non-oil industries in Kaduna, in particular. In order to reindustrialize Nigeria, and generate a stronger and more stable growth rate, the government must increase production in the non-oil sector of the economy by creating a level playing field for private sector-led activity – essentially, for economic growth and development which include the following sectors<sup>274</sup>:

- i. Agriculture and agro-business
- ii. Solid minerals development
- iii. other manufacturing, including information and communications technology (ICT)
- iv. Tourism

Other expected areas of concentration that will equally engender accelerated economic growth, industrial development and poverty reduction are:

- Diversification of the productive base of the economy.
- Emphasis on agriculture and rural development to consolidate existing initiatives in ensuring food security and export possibilities, particularly in cassava, rice production, textiles, cash crops, livestock, and vegetable oil.
- Continued privatization of government-owned companies and public utilities.
- Maximum use of the opportunity available to the textile and garment industry through the African Growth Opportunity Act (AGOA).
- Promotion of environmental protection and management.
- Making Nigeria the hub of economic activity in West Africa.
- Sensitization of the Nigerian public about the concept of the New Partnership for Africa's Development (NEPAD), which is the political and socio-economic programme of the African Union (AU), and recognized as the expression of Africa's collective determination to develop and integrate into the global economy.

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<sup>274</sup>Federal Ministry of Trade, Industry and Tourism: *Investment Incentives*, p. 2.

- Nigeria's home-grown poverty-reduction strategy known as NEEDS – National Economic Empowerment and Development Strategy – should be fully implemented.<sup>275</sup>

## 6.6 Conclusion

Manufacturing plays an irreplaceable role in driving growth and economic development. Kaduna manufacturing continues to be heavily dominated by resource-processing sectors that are capital- and energy-intensive, a structural shift towards higher growth in more value-adding and a higher labour-absorbing manufacturing sector is essential for Nigeria to shift to a development path which generates more growth and higher levels of employment. The economic prosperity that Kaduna state enjoyed in the past can still be revived through the massive orientation and cultural revolution. However, since the industrial development of Nigeria is tied with agriculture therefore, agriculture must be given more priority particular in areas production of cotton, wheat, maize and other important agricultural produce. They will go along way in the feeding our local industrie with raw materials cultivated locally.

The chapter has also attempted to proffer a way forward and suggestions for arresting and reversing industrial decline and collapse in Kaduna State and Nigeria in general. The study has emphasized the importance of energy for industrial development, and the need to address it squarely, especially in the area of energy generation, transmission, and distribution.

The chapter has also identified corruption as a major impediment for industrial development, not only in Kaduna State but in Nigeria in general. It therefore suggests that the Independent Corrupt Practices and Other Related Offences Commission (ICPC), the Economic and Financial Crimes Commission (EFCC), and the Code of Conduct Bureau should be allowed to discharge their responsibilities according to the law that established them. Recommendation has been offered for reviving industrial training institutions which will provide training in high-technology small- and medium-scale industries, which will lead to the graduation of competent engineers in Nig

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<sup>275</sup> Y.B. Usman, "Mr President, Are you serious about NEEDS?" Open letter to President Olusegun Obasanjo on the National Economic Empowerment and Development Strategy, pp. 18-21

## **General Conclusion**

The study has examined the historical process that laid the solid foundation for the establishment of industries in Kaduna State, and the factors that facilitated the emergence of Kaduna, Zaria and environs as industrial centres not only for Northern Nigeria, but for Nigeria at large. It has analysed and explored the growth of various industries in Kaduna, i.e. small-, medium- and large-scale industries. The area concerned has the advantages of accessibility to all parts of Nigeria, and an abundance of raw materials in the Northern Region for industrial consumption, availability of raw materials being one of the preconditions for the location of industries anywhere in the world. The inexhaustible labour supply and its ever-expanding market for many types of industrial product, an abundance of tertiary and quaternary services, the area's relative security, and favourable government policies were all strategic incentives for investors. The combination of the above, together with high industrial potential and government policy for promotion of industrial and commercial enterprises paved the way for Kaduna State's emergence as the industrial hub of Northern Nigeria. We have also examined the various types and operational status of the industries in Kaduna State. Research findings and other documents available to us have revealed that there are over 385 industries in Kaduna State, large, medium and small, with sectors that include textiles, automobiles, media and publishing companies, health and pharmaceuticals, agro-based food processing and confectionary, and oils and petrochemicals.

The study has examined various underlying factors that contributed towards the collapse of industries in Kaduna State and Nigeria as a whole, arguing that the shortage of energy contributed tremendously toward the collapse, as did the high volume of imported foreign goods and services. The textile and fertilizer chemicals industries collapsed because of the excessive imports of Chinese textiles, and raw material, respectively, from abroad.

The study has established that heavy taxes and other levies on industries and businesses in Kaduna, together with corruption, poor government and customers' failure to support the local product were further impediments to industrial development. The study has established that the failure of government to implement national development plans was disastrous for industry. From the time Nigeria attained its independence in 1960 to date, there have been four consecutive national development plans introduced by various regimes. Their dates were 1962-1968, 1970-1974, 1975-1980 and 1980-1985. All four plans were introduced to achieve and maintain the highest possible increase in the standard of living, and the creation of the

necessary conditions for industrial development. The Nigerian government realized that only substantial economic growth would make it possible to raise the average standard of living and provide the people with the means for increased employment and improved education and health. In order to achieve this growth, as large a volume of resources as possible had to be allocated to the directly productive sectors of the economy. For this reason, all the development plans gave the highest priority to agriculture, industry and technical education.

The study has also revealed that the introduction of an SAP package played a significant role in the collapse of industries in Nigeria through the use of IMF conditionality in disguise, such as the introduction of a second-tier foreign exchange market, which led to a substantial devaluation of the naira; the abolition of import licences; changes to import duties intended to reduce the protection of the domestic industries and the import-dependence of manufacturing; the abolition of export duties; deflationary management policies; deregulation of the banks; and a programme of privatization for some parastatals. The substantial depreciation of the naira against major currencies had increased the cost of production in Nigeria. The production and use of locally produced basic intermediate inputs by local industries were discouraged. The profitability of local production compared to imports fell significantly because of the naira's fall in value against major international currencies, and because of the insatiable taste of Nigerians for foreign goods. That created a buoyant black market economy which enabled the lace market to undermine the domestic textile industry, for which Kaduna and Zaria provided a textile manufacturing nucleus: Kaduna, Arewa, and United Nigerian Textiles, Ltd. The impact of the SAP is still visible in the Nigerian economy.

In the end, the research for this study has established that the closure of industries in Kaduna resulted in the loss of jobs by hundreds of thousands of workers at both the managerial and labouring level in various factories within Kaduna metropolis and 23 local governments in the state. As we demonstrated, one of the immediate consequences was an increase in danger to people and property. In Binin Gwari alone over 100 people were attacked and killed in a single day. Between 1999 and 2010 over 5 000 cows were stolen by cattle rustlers. These appalling incidents, amongst others, occurred as a result of the increasing loss of jobs in the industrial sector in Kaduna State and elsewhere in Nigeria. Between 1999 and 2010 over 2 000 people were killed in what were called sharia crises, but the real cause was the severe economic decline which many scholars have attributed to the drastic closure of industries in the whole of the state. In the textile industry alone about 500 000 workers lost their jobs.

Over 5 000 workers lost theirs in the media industry, 5 000 in food and beverages, and over 3 700 in the Peugeot factory.

Finally, the study has analysed the way forward and the imperative need for the re-industrialization of Kaduna State and Nigeria. The study has emphasized the importance of energy for industrial development. The grave problem of chronic power shortages must be squarely addressed, especially in the area of energy generation, transmission, and distribution. The study has also explored possibilities for industrial development in Kaduna State of the precious metals, stones, industrial minerals, and raw materials listed in the previous chapter.

The study has identified corruption as a major impediment for industrial development, not only in Kaduna State but in Nigeria in general, and has emphasized the need for the three statutory bodies charged with oversight responsibilities to do their duty. A recommendation has been offered in respect of reviving industrial training institutions which will provide training in high-technology, small- and medium-scale industries in the industrial sector, which will lead to the graduation of competent engineers in Nigeria.

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## **Appendix I**

### **Questionnaire**

Interview initiated at: \_\_\_\_\_

Interview completed at: \_\_\_\_\_

### **INTRODUCTION**

The purpose of this study is to examine/explore “A history of industrial development in the Kaduna State of Nigeria, 1976-2010. The study is to be conducted by Salihu Zubairu Mustapha of the Department of History, Faculty of Arts, University of Zululand, KwaDlangezwa Campus, Republic of South Africa. Mr. Zubairu is conducting this study for the award of PhD in History. The study will help in providing relevant/concrete information on the subject matter.

You are asked to complete this questionnaire/interview because you are a citizen /resident in the area of study (Kaduna State, Nigeria). Your participation in this research is voluntary but of great importance to its success. Your decision about whether or not to participate will not affect your current or future relations with the researcher. Answering these questions will help you identify some issues contributed in the collapse of industries in Kaduna besides giving you the opportunity to state your opinions. Please treat all the questions objectively and to the best of your knowledge. And be rest assured that all the information you give will be treated with the utmost confidentiality. Note however, that, there are no rights or wrong answers. The study is only interested in your opinions.

Before we begin do you have any questions?

## Section A:

### Bio-data

1. State of Origin \_\_\_\_\_
2. State of Residence \_\_\_\_\_
3. Local Government of Residence \_\_\_\_\_
4. Sex :      Male ☐      Female ☐
5. How old are you? \_\_\_\_\_
6. What is your highest formal education attained?
  - a) Primary School
  - b) Secondary School
  - c) Collage
  - d) Polytechnic
  - e) University
  - f) Others specify \_\_\_\_\_
7. What is your present occupation?
  - a. Farming
  - b. Civil servant
  - c. Trading
  - d. Business men/women
  - e. Others Specify \_\_\_\_\_
8. What is your marital status?
  - a. Married
  - b. Single
  - c. Divorce
  - d. Widow

### Section B:

1. What do you think were the reason(s) behind the introduction of industrialization policy in Nigeria by government in the 1970s?
  - a. To provide employments opportunities to Nigerians
  - b. To encourage growth of indigenous industries
  - c. In order to control imports of foreign goods
  - d. Not so sure
  - e. Others
2. If your answer is (E) please specify below  
.....  
.....  
.....  
.....
3. Do you agree that the basis for industrial development policy in Nigeria is for human development?
  - a. Yes
  - b. No
  - c. Not so sure
  - d. Not at all
4. Do you believe that Nigerian government introduced industrialization policy with the objective of job creation?
  - a. Yes
  - b. No
  - c. Not so sure
  - d. Not at all
5. Do you think that the establishment of industries in Kaduna State assisted in poverty eradication?
  - a. Yes
  - b. No
  - c. Not so sure
  - d. Not at all
6. To what extent did the location of industries in Kaduna State affect your life?
  - a. High

- b. low
- c. Not so sure
- d. Not at all

7. What roles do you think industries play in job creation in Kaduna State?

- a. High
- b. Average
- c. Low
- d. Not at all

8. Are you satisfied with efforts being made by the Federal Government to address problem of industrial development in Nigeria?

- a. Yes
- b. No
- c. Not so sure
- d. Not at all

9. What do you think are factors militating against industrial development in Nigeria?

- a. Insecurity
- b. Frequent power failure
- c. Corruption
- d. Lack of interest
- e. All of the above
- f. Non of the above

10. Do you think the problem of electricity was the major impediment to industrial Development in Nigeria?

- a. Yes
- b. No
- c. Not sure
- d. Not at all
- e. All of the above

11. Do you think the collapsed industries, if revived will provide more employment opportunities?

- a. Yes
- b. No

12. Do you think the collapse of industries contributed to urban – rural migration?

- a. Yes
- b. No

13. To what extent can it be said that corruption contributed to the collapse of industries in Nigeria?
- a. High
  - b. Low
  - c. Average
  - d. Not sure
  - e. Not at all
14. Do you agree that the collapse of industries in Kaduna State affects its economy?
- a. Yes
  - b. No
  - c. Not so sure
  - d. Not at all
15. What do you think are the factors that contributed to the collapse of industries in Nigeria?
- a. inadequate power supply
  - b. Insecurity
  - c. Mismanagement
  - d. Not so sure
16. What do you think is the nature of Nigerian industrialization process?
- a. Agrarian
  - b. Modern
  - c. All of the above
  - d. None of the above
17. Do you agree that Federal Government contributed immensely toward the collapse of industries in Kaduna State?
- a. Yes
  - b. No
  - c. Not so sure
  - d. Not at all
18. What do you think is the role of private individuals in the collapse of industries in Nigeria?
- a. Selfishness
  - b. Corruption
  - c. Not so sure
  - d. Not at all

19. What role do you think the importation of goods and services played in the destruction of industries in Nigeria?

- a. High
- b. Average
- c. Not so sure
- d. Not at all

20. Do you think the Federal Government is serious about revitalization of industries?

- a. Yes
- b. No
- c. Not so sure
- d. Not at all

21. If power is adequately supplied, corruption eradicated, will industries improve?

- a. Yes
- b. No
- c. Not so sure
- d. Not at all

22. If 'yes' please specify the reason(s) behind

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23. Do you agree the importation of goods and other products from China, India, USA, UK and France contributed to collapse of our industries?

- a. Yes
- b. No

24. If 'yes' at what capacity?

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.....

25. If 'No' why?

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26. Do you agree with the view that the Federal Government is not sincere about industrial development in Nigeria?

- a. Yes
- b. No

27. If 'yes' please why?

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.....

28. If 'No' please state your reason(s) below

.....  
.....

29. What do you think is the way forward for the collapsed of industries in Nigeria?

- a. Sincerity of purpose
- b. Punishment of offenders
- c. Not sure
- d. None of the above

30. Do you agree that the imposition of taxation and other levies are some of the factors militating against industrial development in Nigeria?

- a. Yes
- b. No

31. Do you agree import substitution strategy helped in the industrialization process of Nigeria?

- a. Yes
- b. No
- c. Not so sure
- d. Not at all

32. Do you agree that if our industries are working the problems of unemployment would have been solved?

- a. Yes
- b. No
- c. Not so sure
- d. Not at all

33. Do you agree that Nigeria has all the requirements needed to be industrialized?

- a. Yes
- b. No

- c. Not so sure
- d. Not at all

34. Do you think insecurity contributed towards the collapse of industries in Kaduna State?

- a. Yes
- b. No
- c. Not at all
- d. Not so sure

35. What do you think are the measures that government needs to take in order to revive industries in Nigeria?

- a. Supply of electricity
- b. Eradication of corruption
- c. None of the above
- d. All of the above

36. What type of industries do you know in Kaduna State?

- a. Manufacturing
- b. Cottage
- c. Small scale
- d. Large industries

37. What factors do you think contribute to the collapse of industries in Kaduna State such as Kaduna State Textiles industry etc?

- a. Politics
- b. Corruption
- c. Insecurity
- d. All of the above

38. Do you think the population is a factor of production?

- a. Yes
- b. No
- c. Not sure
- d. Not at all

39. Please comment freely on how industries can be revived in Kaduna State?

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40. Please name any industry that you know which was working before in the towns of Kaduna and Zaria and other parts of the state from 1976 to 2010?

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41. Please name any industry that you know which is not working in towns of Kaduna and Zaria from and other parts of the state 1976 - 2010?

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Thank you.

## Appendix II

### Tambayoyin Nazari/Bincike (Questionnaire)

Ganawa a wuri: \_\_\_\_\_

Kamala ganawa a wuri: \_\_\_\_\_

#### Gabatarwa

Dalilan da suka sa muke yin wannan nazari shi ne domin yin bincike akan cigaban masana'antu a Nijeriya. Kuma mun maida hankali ne akan jihar Kaduna daga shekaran 1976-2010. Shi wannan bincike zai gudana ne a karkashin jagoranci Salihu Zubairu Mustapha na sashen nazarin tarihi na tsangayan fasaha na jami'an Zululand, Afrika ta kudu. Malam. Zubairu yana gudanar da wannan nazari/bincike ne domin neman digirin digir-gir akan tarihi watau (PhD in History). Shi wannan bincike/nazari zai taimaka wajen samar da bayanai akan cigaba ko rashi na kamfanoni a Nijeriya.

Anasu ne ka cike wannan takarda bincike/nazari domin kana dan asalin (jihar Kaduna, Najeriya). Shigarka da kuma bada gudurmawa cikin wannan bincike/nazari ba dole ba ne amma ya na da matukan mahimmanci ga wannan bincike. Haka kuma rashin shiganka ko ba gudumawa cikin wannan bincike/nazari ba zai shafi dangatakarka da mai gunar da wannan bincike/nazaria nan gaba. Amma kasani shiganka cikin wannan ganawa zai taimaka wajen fayace wasu batutuwa da suka shafi harkukin masana'atu a Nijeriya haka kuma zai baka daman fadin albarkacin bakinka. Daga karshe inason in tambartar maka da cewa dukkan amsar da kasamar akan wadannan tambayoyi za'a ajesu a matsayin sirri da kuma amana.

Kafin mu fara wannan ganawa ko kana da tambaya?

#### Sashi na A:

##### Bayanai kan haihuwa

1. Jiharka ta asali \_\_\_\_\_
2. Wajen zama \_\_\_\_\_
3. Karaman hukumarka/ki \_\_\_\_\_
4. Jinsi : Namiji ☐ Mace ☐
5. Shekarunka nawa? \_\_\_\_\_

6. Manene matsayin iliminka na boko?

- a. Faramare
- b. Makarantan gaba da faramare
- c. Kwaleji
- d. Makarantan kimiya da fasaha
- e. Jami'a
- f. Ka fayace sauran\_\_\_\_\_

7. Menene sana'ar ka?

- f. Noma
- g. Aikin gwamnati
- h. Fatauci
- i. Kasuwanci
- j. Ka fayace sauran\_\_\_\_\_

8. Manene matsayinka game da maganan aure?

- e. Ina da aure
- f. Bani da aure
- g. Bani da miji
- h. Mijina ya mutu

### **Sashi na B:**

1. Meyasa gwamnati ta kirkiru manufar bunka masana'antu a Nijeriya a 1970s?

- a. Domin samar da aikinyi gay an Nigeria
- b. Domin Karfafa gwiwa ga masana'atu yan kasa
- c. bansaniba

2. Idan amsarka (eh) to don Allah kayi bayane

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3. ka amince da cewa hakikanin manufar burkasa kamfanoni a Nijeriya domin cigaban al-umma ne?

- a. eh

- b. a'a  
c. bani da tabaci  
d. Bansani ba kwata - kwata
4. Ka amince da cewar gwamnati takafa masana'atu domin samar da aiyukanyi ga 'yan kasa?
- a. eh  
b. a'a  
c. bani da tabaci  
d. Bansani ba kwata - kwata
5. Kanajin kafa kamfanoni a jihar Kaduna zai taimaka wajen kauda talauce.?
- a. eh  
b. a'a  
c. bani da tabaci  
d. Bansani ba kwata - kwata
6. Ya ya ka/ki ji kafa kamfanoni a jihar Kaduna ya shafi rayuwanka?
- a. Mataki mafi girma  
b. Mataki matsakaici  
c. Karamin mataki  
e. Bansani ba kwata-kwata.
7. Wani rawa kakejin kamfanoni sun taka wajen samar da aikinyi a jihar Kaduna.?
- a. Mataki mafi girma  
b. Mataki matsakaici  
c. Karamin mataki  
e. Bansani ba kwata-kwata.
8. Ka gamsu da rawa da gwamnati taraya take taka wajen magance mastsalolin wajen cigaban kamfanoni a Nijeriya?
- a. Mataki mafi girma  
b. Mataki matsakaici  
c. Karamin mataki  
e. Bansani ba kwata-kwata
9. Wasu abubuwa ne kakejin sun taimaka wajen kumabayan kamfanoni a Nijeriya?
- a. Rashin tsaro  
b. Matsalar yawan daukewan wutar latarki  
c. Mastalar cin hanci dakarban rashawa

- d. Halin ko ohu
- e. Dukkan abubuwan da na zayana asama
- f. Babu ko daya daga cikin abubuwan da na zayana asama

10. Kanajin matsalolin rashin wutan latarki suna daya daga cikin manyan abubuwa da suka hana ciga kamfanoni a Nig.eriya?

- a. Mataki mafi girma
- b. Mataki matsakaici
- c. Dukkan abubuwan da na zayana asama
- d. Babu ko daya daga cikin abubuwan da na zayana asama

11. Kanajin, idan aka farfado da kamfanonin da suka ruguje zai samar da aikinyi?

- a. Eh
- b. A'a

12. Kanajin durkushewan kamfanoni sun taimaka waje kauran mutane daga kauyika zuwa birare?

- a. Eh
- b. A'a

13. Mai za kuce game da rawan da cin hannaci ya yi waje durkushe wan masana'atu a Nijeriya?

- a. Mataki mafi girma
- b. Mataki matsakaici
- c. Dukkan abubuwan da na zayana asama
- d. Babu ko daya daga cikin abubuwan da na zayana asama

14. Ka amince da cewa durkushewan masana'atu yashafi tatalin arzikin jihar Kaduna?

- a. Eh
- b. A'a
- c. Bani da tabbaci
- e. Bansani ba kwata-kwata

15. Wasu abubuwa ne suka taimaka wajen durkushewa masana'atu a Nigeria?

- a. Matsalar rashin isashiyar wutar latarki
- b. Matsalar tsaro
- c. Almubazranci
- d. Bani da tabbaci

16. Wane irin yanayi ne akabi wajen gina kamfanoni a Nijeriya?

- a. Tattalin zarki ankan hargan noma
- b. Nazamani
- c. Dukkan abubuwan da na zayana asama
- d. Babu ko daya daga cikin abubuwan da na zayana asama

17. Ka amince da cewa gwamnatin taraya ta taka rawa kwarai da gaske wajen tababarbarewan kamfanoni a jihar Kaduna?

- a. Yes Eh
- b. A'a
- c. Bani da tabbaci
- e. Bansani ba kwata-kwata

18. Wane abu ka kejin rawan da masu kamfanoni masu zaman kansu suka taka wajen durkushewan kamfanoni?

- a. Son kai
- b. Cinhanci da karban rashawa
- a. Bani da tabbaci
- e . Bansani ba kwata-kwata

19. Wani irin rawa kakejin shigowad a kayaiki da kasahin wajen ya taka wajen durkuchewan kamfanoni?

- a. Mataki mafi girma
- b. Mataki matsakaici
- c. Bani da tabbaci
- d. Babu ko daya daga cikin abubuwan da na zayana asama

20. Kana jin gwamnatin taraya da gaske take waje shawu matsalan tabarbarewa masana'atu a Nijeriya?

- a. Eh
- b. A'a
- c. Bani da tabbaci
- d. Babu ko daya daga cikin abubuwan da na zayana

21. Idan har aka samar da sashin wutar lamtarki kuma aka magance cen hanci da karban rushawa, kamfanoni za su ingonta?

- a. Eh
- b. A'a
- c. Bani da tabbaci
- d. Babu ko daya daga cikin abubuwan da na zayana

22. Idan amsarka/ki eh ne sai afadi dalilanka

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23. Ko ka amince da cewa shigowa da ake yi da kayayaki da kasashen waje kamar India, USA, UK da France ya taimaka wajen durkushewan masana'atu a jihar Kaduna?

- a. Eh
- b. A'a

24. Idan amsar ka/ki eh, to awani mataka?

.....

.....

25. Idan kuma a'a, to saboda da menene?

.....

.....

26. Ko ka amince da cewa gwamnatin taraya bada gaske takeyiba akan cigaban masana'atu?

- a. Eh
- b. A'a

27. Idan' Eh' maiyasa?

.....

.....

28. Idan 'a'a' fadi dalili (lai) a kasa

.....

.....

29. Menene ka kaji mafita game da farfado da masana'atu a Nijeriya?
- Tsarkin
  - Hukunta masu laifi
  - Bani da tabbaci
  - Babu ko daya daga cikin abubuwan da na zayana
30. Ka/ki yarda da cewa dura haraji da sauran tara sun taimaka wajen durkushewan kamfanoni a Nijeriya?
- Eh
  - A'a
31. Ka amince da cewa saukaka kudade wajen shigo da kayayiki da kasashen wajen yataimaka wajen cigaban kamfanoni a Nijeriya?
- Yes Yes Eh
  - A'a
  - Bani da tabbaci
- e Bansani ba kwata-kwata
32. Ko ka amince da cewa da an magance matsalolin da kamfanoni ki kuskata a Nijeria day a samar da aikinyi?
- Eh
  - A'a
  - Bani da tabbaci
- e Bansani ba kwata-kwata
33. Ko ka amince da cewa Nijeriya tana da dukkan abubuwan da ake bukata wajen zama kasa mai cigaban ta fuskan kamfanoni?
- Yes Eh
  - A'a
  - Bani da tabbaci
- e Bansani ba kwata-kwata
34. Kanajin rashin tsaro ya taimaka kwarai da gaske wajen durkushewan kamfanoni a jihar Kaduna?
- Eh
  - A'a
  - Bani da tabbaci
- e Bansani ba kwata-kwata

35. Wasu mataakai ne kakeji gwamnati taraya ke dauka wajen farfado da kamfanoni a Nijeriya?

- a. Samar da wutan lantarki
- b. Kwar da cinhanci da karban rashawa
- c. Babu ko daya daga cikin abubuwan da na zayana
- d. Dukkan abubuwan da na zayana a sama

36. Wani irin nau'I kamfanoni ka sa ne a jihar Kaduna?

- a. Kamfani masu zayana kaya
- b. Matsagata
- c. Kananan Kamfanoni
- d. Manyamanyan Kamfanoni

37. Wani abu ne ka ke jin ya taimaka wajen durkushewan masana'atu a Jihar Kaduna?

- a. Siyasa
- b. Cinhanci
- c. Rashin Tsaro
- d. Dukkan abubuwan da na zayana a sama

38. Kanaji yawan al-umma ya na tai mukawa wajen?

- a. Yes
- b. A'a
- c. Bani da tabbaci
- e. Bansani ba kwata-kwata

39. Don Allah yi sharhi akan yadda ka ke jin za'a iya farfado da masana'atu a jihar Kaduna?

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40. Do Allah zayana sunayen Kafanoni da ka sani suna aiki a cikin garuruwan Kaduna da Zariya daga shekar 1976-2010?

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41. Don Allah ka fada mini wasu kamfanoni a garuruwan Kaduna da Zariya da kasani kuma basa aiki daga shekar 1976-2010?

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Na gode.

### Appendix III

#### List of Industrial Establishments in Kaduna State Sectoral Distribution

##### 1. Manufacturing

S/No	Name of Establishment	Location/Address/Tel. No.	Nature Of Business	Operational Status
1.	Federal Super Phosphate Fertilizer Company. Ltd.	4, Nasarawa Road Kad. South Ind. Area	Chemical Processing	Dormant
2	Ideal Flour Mills (Nig.) Ltd.	Kad. Eastern Bye-Pass, Kudenda Ind. Area	Food Processing.	Dormant
3	West African Bitumen Emulsion Company Ltd.	Plot 11, Maicibi Close Box 3839 Kakuri Kaduna	Chemical Processing	Operational
4	Roofco (Nig.) Ltd.	Plot L14, Kachia Road, Kakuri Industrial Area, P.M.B. 2207 Kaduna 062-243341	Aluminium Fabrication	Dormant
5	Jafco Industrial Ltd.	C9 Inuwa Abdulkadir Road, Kakuri, Kaduna 062-234112	Manufacturing	Operational
6	United Wire Products Ltd.	Inuwa Abdulkadir Road, Kakuri, Kaduna	Wire Processing	Operational
7	NOCACO (Nig.)Ltd	Inuwa Abdulkadir Road, Kakuri, Kaduna	Electric Cables Production	Operational
8	Queensway Aluminium (Nig.) Ltd	Plot 9c Inuwa Abdulkadir Road, Kakuri Kaduna	Aluminium Fabrication	Operational
9	Tower Galvanised Products (Nig.)Ltd.	Plot 9c Inuwa Abdulkadir Road, Kakuri, Kaduna	Aluminium Metal Fabrication	Operational
10	Sunglass Company (Nig.) Ltd	Kudenda, Kaduna	Manufacturing	Operational
11	Chelco Industries (Nig.) Ltd	Nnamdi Azikwe Way, Kudenda Kaduna	Manufacturing	Operational
12	Berec (Nig.) Ltd.	Kaduna		Dormant
13	Moukarim Industries (Nig.) Ltd.	Keffi Road, Kaduna	Manufacturing	Dormant
14	Leman Industries (Nig.) Ltd.	Nasarawa Road, Kakuri, Kaduna	Manufacturing	Dormant
15	Kaduna Crown Cork Manufacturing Company,(Nig.)Ltd.	Kakuri-Kaduna	Manufacturing	Dormant
16	Eternal Electrical Engineering Works (Nig.) Ltd.	Kakuri Industrial Area, Kaduna	Manufacturing	Dormant
17	Bus And Refrigerated Van	5, Ahmad Talib Avenue Box 428, Kaduna	Manufacturing	Dormant

	Manufacturing Ltd.			
18	Muktar Foam Company (Nig.)Ltd.	Inuwa Abdulkadir Road, Kad. South	Manufacturing	Dormant
19	Solar Foam And Chemicals Company (Nig.) Ltd.		Manufacturing	Operational
20	Shempate Industry,(Nig.) Ltd	9.13 Maichibi Close Kakuri, Kaduna	Manufacturing	Dormant
21	Safa Foam Company (Nig.) Ltd.	No.2 Maichibi Close Box 934,Kaduna	Manufacturing	Dormant
22	Defence Industries Corporation	No.45 Ahmadu Bello Way, Kaduna	Manufacturing	Operational
23	Alcan Aluminium Company, Ltd.	Kaduna	Manufacturing	Operational
24	Auto Parts Industries (Nig.) Ltd.	Kaduna	Manufacturing	Dormant
25	Unisteel Works Ltd	Textiles Road, Box 4004 Kakuri Ind. Area Kaduna	Manufacturing	Operational
26	Coast Plastic, Ltd.	Kaduna	Manufacturing	Dormant
27	Turners Building Products (Arewa) Ltd.	19/20 Kakuri Ind. Estate Box 347, Kad.	Manufacturing	Operational
28	Ugochukwu Chemical Ind. Ltd	Nassarawa Road, Kakuri, Kaduna.	Manufacturing	Operational
29	Starsteel (Nig.)Ltd.	Rabah Road, Malali Kaduna062-214287	Manufacturing	
30	Technoplastic (Nig.)Ltd.		Manufacturing	Dormant
31	Comrade Cycles Nig. Ltd.	29,Ibrahim Makama Road, Chikaji Industrial Area Zaria	Manufacturing	Operational
32	Electric Meter Company, Ltd.	Chikaji Industrial Area, Zaria	Manufacturing	Dormant
33	British American Tobacco (Nig.) Ltd.	Chikaji Industrial Area, Zaria	Prouctin Of Cigarrete	Operational
34	Zaria Industries Ltd.	Old Jos Road, Dakace Ind. Area, Zaria	Manufacturing	Operational
35	First Aluminium (Nig.) Ltd.	Kaduna	Aluminium Fabricating	Dormant
36	Crital Hope (Nig.)Ltd.	Kachia Road, Kaduna	Aluminium Fabrication	Operational
37	Eslon(Nig.) Ltd.	Plot No.8,Inuwa Abdulkadir Road, Kaduna	Manufacturing Pvc Pipers	Operational
38	R.H. Plastic (Nig.) Ltd.	Plot 2 Tanko Jafa'aru Close Behind P.A.N. Ltd. 062-	Manufacturing	Operational

		232656,Kaduna		
39	ABG Electronic Ltd	Nnamdi Azikwe Way, Kudenda, Kaduna	Manufacturing	Closed Down
40	Arewa Metal Containers Ltd (ARMECO)	1,Mohammed Ladan Rd, Kakwau- Kaduna.	Mental Fabrication	Operational
41	A-Z Furniture Factory, Ltd.	Kachia Road, Kaduna	Manufacturing	Operational
42	Kaduna Furniture And Carpeit Company (Kfcc) Nig. Ltd.	15 Inuwa Abdulkadir Road, Pmb 2224,Kaduna 062-230090-3	Manufacturing	Operational
43	International Parts Industry, Ltd.	103.Kanji Road, Kaduna	Manufacturing	Dormant
44	Kaita Brothers Toilet/Tissue Papers Manufacturing	No.11 Kano Road, Kaduna	Manufacturing	Closed Down
45		Abuja Road, Junction Kaduna	Manufacturing	Closed Down
46	Brossette Manufacturing (Nig.)Ltd.	4. Maichibi Close, Kakuri Ind. Estate, Box 6514 Kaduna	Manufacturing	Closed Down
47	Motor Parts Industry (Nig.)Ltd.	Kaduna	Manufacturing	Dormant
48	General Metal Products (Nig.) Ltd.	Textiles Road, Kakuri-Kaduna	Manufacturing	Operational
49	John Holt Agric Engineering	No.2 Yero Avenue Chikaji Industrial Estate 069-33041	Conglomerate	Dormant
50	Zarewa Aluminium (Nig.)Ltd.	Zaria Express Way Kwo Kaduna	Manufacturing	Operational
51	Mutunci Pipes Company (Nig.)Ltd.	Kudenda, Kaduna	Manufacturing	Operational
52	Nigeria Automative Parts Company, Ltd.	24.Inuwa Abdulkadir Road, Kakuri Industrial Estate, Box7101,Kaduna	Manufacturing	Dormant
53	Northern Cables Processing Company (Nococo) Nig. Ltd.	Kakuri Kaduna	Manufacturing	Operational
54	Reliance Equipment Manufacturing Ltd.	Maicibi Road, Kakuri Ind. Area	Manufacturing	Operational
55	Unity Metal Products Ltd.	Kaduna	Metal Construction	
56	Mab Cables Industry Ltd.	Kachia Road Kaduna	Cable Manufacturing	Operational
57	Hospital Engineering (Nig.)	6a,Kabala Close Off Gobarau Road, U/Rimi, Kaduna 062-	Metal Constructions	

	Ltd.	246197		
58	Nigeria Engineering Works, Ltd.	Zaria		
59	Kemson (Nig.)Ltd	B26,Faki Road Kaduna	Furniture	
60	Incar (Nig.) Ltd.	Ahmed Talib Road, Kakuri, Kaduna	Metal Construction	Dormant
61	Burem (Nig.) Ltd.	Ahmed Talib Road, Kakuri, Kaduna	Metal Construction	Operational
62	Nig.er Aluminium Manufacturing Ltd.	Kaduna	Aluminium Construction	
63	Prime Power	Kachia Road, Kaduna	Engineering	
64	Tonny Precious Manufacturing Technical Company(Nig.) Ltd.	No9,Inland Railway,08034529718,062-372145	Agro-Allied Machines Fabrication	
65	A.A.M Plastics, Ltd	Cc Ia, Nnamdi Azikwe Bye Pass, Kaduna	Trade/Manufacturing	Operational
66	M-Cee Cleaning Chemicals, Ltd.	Rb18,Nnamdi Azikiwe Express Bye Pass 062-401093,0803048474	Manufacturing\Preparation	Operational
67	Sonostar International, Ltd.	Nnamdi Azikiwe Express Bypass,062234836,232131	Manufacturing	Operational
68	Cedar Industrial Company, Ltd	20,Gwari Close, Kawo New Extention,Kaduna,08035501218	Fabrication	Operational
69				
70	Wictech Industries (Nig.) Ltd.	Nnamdi Azikiwe Express Bye Pass, U/ Romi Junction, Kaduna 08033143695 08057122215	Aluminium Fabrication	Operational
71	Zaria Industries (Nig.) Ltd.	Along Oil Jos Road, Zaria	Manufacturing	Operational
72	Metriscope (Nig.) Ltd.	26/28,Wafe Road Box 347,Zaria	Manufacturing	Operational
73	A.A.Bros Int. Furniture Company (Nig.) Ltd.	V.51 Dutsima Street, T/Wada Box 6049,Kaduna	Manufacturing	Operational
74	Abdullahi Danasabe Carpenters	Layin Danauta Kuyello Village, Birnin Gwari	Manufacturing	Operational
75	Aduwa Maisamari Capentry Work	Railway Station Road Kagoro, Box 84	Manufacturing	Operational
76	Akin Furniture Works	2,Kawo Str. Kawo Kaduna	Manufacturing	Operational
77	Aula Furniture (Nig.) Ent.	New Market Road Birnin Gawri.	Manufacturing	Operational
78	Awah Furniture Company	Hh10 College Road, U/Dosa Box 3077	Manufacturing	Operational
79	Ayeni Work And Spray (Nig.) Ltd.	3, Rail Way Road Kafanchan, Box 34.	Manufacturing	Operational

80	Baka Foam (Nig.) Ltd.	Kaduna Road, Zaria Box 181	Manufacturing	Closed Down
81	Basic Home Class Furniture (Nig.)Ltd.	29 Ishkaita Road, Kaduna Gra Box 33493.	Manufacturing	Operational
82	Dandy Furniture Company, Ltd.	1 Dankama Road, Box 4490,Kaduna	Manufacturing	Operational
83	Dave Jims Furniture Company Ltd.	Bz,138 Sardauna Crescent Kaduna	Manufacturing	Operational
84	Dona Bright Furniture (Nig.) Ent.	18,College Road, U/Dosa Kawo Kaduna	Manufacturing	Operational
85	Emag International Furniture.	Bbi, Nupe Road/Abeokuta Street Kaduna.	Manufacturing	Operational
86	Felix Diki Furniture Work	95 Kawo Street Kafanchan.	Manufacturing	Operational
87	Gatama (Nig.) Ent.	Aa1,Abeokuta Street, Kaduna	Manufacturing	Operational
88	Hope Ventures	Bg13,Nnamdi Aziwe Way, Kaduna	Manufacturing	Operational
89	Kudami Gen. Ent.	14 Ahmadu Bello Way ,Kaduna	Manufacturing	Operational
90	Letco Co. Ltd.	M1,Ahmad Bello Way Box 1788,Kaduna 062-239456	Manufacturing	Operational
91	Nakowa Furniture (Nig.)Ltd.	23,New Market, Market Road ,U/Dosa Kaduna	Manufacturing	Operational
92	Okpella Furniture Works	Opp,Narayi Junction 1031 Kaduna	Manufacturing	Operational
93	Orhil Technical Group	54,Shagari Road Narayi 062-230272	Manufacturing	Operational
94	Rahamaniya Furniture Works	13,New Market Road, Badarawa, Kaduna	Manufacturing	Operational
95	Samson Akaito Carpenter Work	18,U/Rimi Road, Kafanchan	Manufacturing	Operational
96	Sir King Modern Furniture	94,Kawo Street Kafanchan	Manufacturing	Operational
97	Tola Bike Business Ent'l Comp (Tbic) (Nig.) Ltd.	A7,Junction Road, Box 1179,Kaduna 062-240426	Manufacturing	Operational
98	Wood Peaker Furniture Work	17 Galadima Street A/Yelwa Television Kaduna.	Manufacturing	Operational
99	Yakubu Chawai Carpenter Workshop	84ibadan Street Kafanchan	Manufacturing	Operational
100	Rigidpak Containers (Nig.) Ltd.	It3,Oil Jos Road, Box 886,Zaria 069-34473,505308	Manufacturing	Operational
101	Kazoga (Nig.) Ltd.	113,Katsina Road, Box 7993,Kaduna 062-210347,2212169	Manufacturing	Operational

102	Abdulrahman Printers And Publishers (Nig.) Ltd.	B530,Matazu Road, T/Wada Box 4231 Kaduna	Manufacturing	Operational
103	Fertilizer And Chemical(Nig.) Ltd.	1 Ahmadu Doka Street, Kaduna 062-215481	Chemical	Operational
104	Lion Plastics	17, Shagari Road, Badarawa, Kaduna	Plastics	Operational
105	Climax Aluminium Products Ltd.	18,Gamagiri Road, T/Wada Kaduna	Metal Construction	Operational
106	S.A Metal Construction Work	5/54,K/Mash Market, Kaduna	Metal Construction	Operational
107	Alh. Adamu Ali Black Smith	Ps 1092,Enugu Road, Oil Panteka, Kaduna	Metal Construction	Operational
108	Alh. S.A. Ibiyeye Metal Construction	B.23 Yoruba Road, Box 214175	Metal Construction	Operational
109	Cimosteel Construction Company	Halima Junction Along Kachia Road, Kaduna 062-235158	Metal Construction	Operational
110	John Awan Esto Metal Company	1, Achi Road, Box 171 Kagoro.	Metal Construction	Operational
111				
112	Braws Aluminium Products	46, Achina Stree U/Yalwa Telev. Box 5414,Kaduna	Metal Construction	Operational
113	Danhama Aluminium Products	Fal Ibrahim Taiwo Road, T/Wada Kaduna	Metal Construction	Operational
114	Modular Aluminium Fabrication Ltd.	18 Inuwa Abdulkadir Road Kaduna	Metal Construction	Operational
115	Sa-Aim Aluminium Products. Ltd.	116 Badiko N/Extension, Box 7716,Kaduna 062-2416781	Metal Construction	Operational
116	Ag-Tech Ltd.	3 Rail Way Avenue	Manufacturing	Operational
117	Mr. Emma Metal Construction (Nig.) Enterprises	Opp. Ikara Local Gov. Secretariat Tashan Adamu, Auchau	Metal Construction	Operational
118	Alh Saninkada Metal Works (Nig.)Ltd.	Market Road, Auchau	Metal Construction	Operational
119	Shua'ibu Musa Metal Works	T/Wada	Metal Construction	Operational
120	Alh. Mohammad Sani (Gg) Metal Construction	Near Salisu Cheza House, Makarfi, 0805625262,080369694	Metal Construction	Operational
121	Magaji Launi Furniture	Sarkin Yaki Road Kari Makarfia	Manufacturing	Operational

122	Alh. Abdullahi Umar Furniture	Layin Pompo T/Wada Makarfi	Manufacturing	Operational
123	Alh. Alhassan Rabo Saidu Chikaji (Nig.)Ltd.	Kasuwam Mata,Wajenyan Gado 08025476163	Manufacturing	Operational
124				Operational
125	Bashir Hamed Ventures, Ltd.	Timber Market Sabon Gari	Manufacturing	Operational
126	A.I Ventures (Nig.) Ltd.	Timber Market Sabon Gari-Zaria 080361989226,08023639825	Manufacturing	Operational
127	Jibrin Carpentry Works	Ksa 46 Kasuwan Mata Timber Shed Sabon Gari-Zaria 08065451941	Manufacturing	Operational
128	Nasara Metal Works	No.7timber Market, S/Gari Zaria.	Manufacturing	Operational
129	Muhammad Sirajo Ventures Ltd.	Timber Market, S/Gari Zaria.08025476163	Manufacturing	Operational
130	Paterson Zochonis Industries Plc.	Plot F1,And F2,Kaduna Road, S/Gari -Zaria 069-330367,069-332434	Conglmerate	Closed Down
131	A.J.A. Furniture's	Aliyu Road T/Wada Zaria 08035920129	Manufacturing	Operational
132	Harmony Shoes (Nig.) Ltd.	No.7 Cresent Road Sabon Gari, Zaria	Manufacturing	Operational
133	Leto Sanitary Products (Nig.) Ltd.	24 Inuwa Abdulkadir Road, Kakuri 062-232505	Manufacturing	Operational
134	Ochu's Garden City Industry (Nig.) Ltd.	Nasarawa	Manufacturing	Operational
135	Kaduna Machine Works Ltd.	Inuwa Abdulkadir Road Kakuri	Fabrication	Operational
136	O-Ptus Furniture (Nig.) Ltd.	Inuwa Abdulkadir Road Kakuri	Manufacturing	Operational
137	Seepco (Nig.)Ltd.	Kaduna	Manufacturing	Operational
138	Pan Orobica Strucres (Nig.)Ltd.	Nnamdi Azikwe Bye Pass U/Mu'azu Ind. Layout	Metal Construction	Operational
139	Aliyu Technical And General Enterprises	Yan Karfi New Market, Kaduna Kano Express Way Zaria 08033855273	Technical/Engineering	Operational
140	Bazamri Pvc Tiles (Nig.) Ltd.	No.1&2 Kachia Nnpc Road, Sabon Tasha P.O. Box 85 Kaduna062-235855,235833	Manufacturing	Operational
141				Operational
142	Nasara Metal Works	No.7 Plask-Shed Sabon Gari Zaria	Metal Construction	Operational
143	Progressive Modern Furniture Ltd.	No.1shehu Road Km6 Kaduna Zaria Road, Rigachukun	Manufacturing	Operational

144	F.A Ofokosi Technical Works Ltd.	No Sokoto Road, Kwangila Opp. Zaria Hotal Zaria	Fabrication	Operational
145	Chikaji (Nig.) Ltd.	No.1 Chikaji Road Sabon Gari Zaria	Soap Production	Operational
146	David Modern Furniture	Kaduna Zaria Express Way Opp. Strkeforce Kaduna.	Manufacturing	Operational
147	Everlasting Hands Investment Ltd.	26bschool Road, K/Mashi Kaduna	Manufacturing	Operational
148	Speres Workshop Enterprises	Shop No. 32/33 Aminu Rd. Sabon Gari Zaria.	Manufacturing	Operational
149	A.J.A Furniture And Company (Ltd.) Ltd.	No. Hospital Road, T/Wada Zaria	Manufacturing	Operational
150	Jali Trading Company.	Nod 10 Kakuri Road Zadi Plaza Kaduna	Production Of Detergent	Operational
151	Almaso Industries	No.7 Abuja Street T/Wada Sabo	Production Of Soap/Detergents	Operational
152	Kudami (Nig.) Ltd	No. 14 Ahmadu Bello Way, Kaduna	Manufacturing	Operational
153	Ngotech (Nig.). Enterprises.	Hayin Banki By Lafiya – Bus Top Kawo – Kaduna.	Industrial Equipment	Operational
154	Sanbell Industries (Nig.). Ltd.	No. 5 Ptf Road Hayin Banki, Kawo – Kaduna 062316995.	Manufacturing	Operational
155	Zinnia Furniture's	New Mict, Ptf Road, Hayin Banki, Kawo – Kaduna 0806315025.	Manufacturing	Operational
156	Oxygen Manufacturing	Nnamdi Azikwe Way By Kaduna Motors	Manufacturing	Operational
157	Sat Furniture's	Nnamdi Azikwe Express Bye Pass By Kaduna Motors, 08026909655.	Manufacturing	Operational
158	Ni'iss Upholstery (Nig.). Ltd.	L2 Shehu Musa Street, Afaka Mando Kaduna, 08027100066.	Manufacturing	Operational
159	Shadow Funiture	L2 Shehu Musa Street, Afaka Mando Kaduna, 08023668192, 08069298691	Manufacturing	Operational
160	Bel-Kassim (Nig.). Enterprises	No. A.U.I. Market Road U/Rimi	Manufacturing	Operational
161	Jie Irekpita And Bros Construction (Nig.). Ltd.	Kabala Doki Market Road P.O. Box 5328 Kaduna 062210544, 08023448318.	Manufacturing	Operational
162	Olu-Geofem Company (Nig.) Ltd	1 <sup>st</sup> Live Kabala Doki Market Kaduna.	Manufacturing	Operational
163	The Ultimate Furniture (Nig.). Ltd.	Kinshasha Road U/Rimi Kaduna.	Manufacturing.	Operational

164	Unity Furniture (Nig.). Enterprises.	Conakry Street London Village Shopping Complex U/Rimi Kaduna.	Manufacturing.	Operational
165	Green – White Green (Nig.). Ltd.	No. 24 Zaria Road Nassarawa Kaduna.	Manufacturing.	Operational
166	Remco Terazzotiles (Nig.). Ltd.	No. 5 Maichibi Close Kakuri Kaduna	Manufacturing	Operational
167	Gurara Aluminium Productions (Nig.). Ltd.	Kachia / Abuja Road Television Kaduna, 062-236976.	Manufacturing	Operational
168	J.J. Aluminium Ltd.	Shop 4 L16 Command Link Road Television Garage, Kaduna 08036062480.	Fabrication	Operational
169	Eunico Aluminium Ltd.	No.1 Command Link Junction, Kachia Road, Kaduna 080 34530175.	Fabrication	Operational
170	Musaco Aluminium Ltd.	Beside Judavi Int'l School Kachia Road Kaduna.	Fabrication	Operational
171	Optimum Exposure (Nig.). Ltd.	No. 1 Television Kachia Road Kaduna, 062-234767.	Manufacturing	Operational
172	Plaza Aluminium And Steel Ltd.	78 Kakao Road Goningora Kaduna 08035815078.	Fabrication	Operational
173	Automotive Component Industry.	Plot 12b Kachia Road Television Garage Kaduna, 062-230120.	Manufacturing	Dormant
174	Fire Bold Industry.	No.5 Maichibi Close Kakuri Kaduna.	Manufacturing	Closed Dawn
175	Kal Extrusion (Nig.). Ltd.	Plot 20 Inuwa Abdulkadir Road, Kaduna South Industrial Area P.O. Box 1889 062-233037, 235784.	Manufacturing	Dormant
176	Supa Steel (Nig.). Ltd.	Inuwa Abdulkadir Road, Opp. 7-Up Company, Kaduna.	Manufacturing	Operational
177	HaNig.ha (Nig.) Ltd.	No. 51 Isa Kaita Road Kaduna 08057373102	Fabrication	Operational
178	Bokplas Multisystem (Nig.) Ltd.	No. 9 Junction Road Kaduna.	Manufacturing	Operational
179	Bright Steel Structure Co. (Nig.). Ltd.	No.10 Sarki Crescent Off Alkali Road Kaduna.	Fabrication	Operational
180	Armayau Abba Zaria Enterprises	Tudun Wada Zaria.	Leather Works.	Operational
181	Mr. Sani C. Sambo Enterprises.	Bakin Kogi Kawo Road, Kaduna.	Bakery	Operational
182	Alh. Mohammed Lawal Sale,	Old Panteka Kaduna.	Fabrication	Operational

	Enterprises.			
183	Mustapha General Enterprises	U/Dosa Kawo Kaduna	Manufacturing	Operational
184	Free Gate Communication Enterprises.	Kawo Kaduna	Manufacturing	Operational
185	Zaria Garments Manufacturing Ltd.	Sabon Gari Zaria	Manufacturing	Operational
186	Abdulaziz Isa Ventures	U/Alkali Zaria City Zaria.	Manufacturing	Operational
187	Mustapha Mohammed	Soba	Fabrication	Operational
188	Lawal Jibrin Enterprises	Sabon Gari	Fabrication	Operational
189	Mal. Ahmodu Audu, Enterprises	Kaya-Giwa	Manufacturing	Operational
190	Dauda Abubakar, Enterprises	Sabon Gari , Manchok	Manufacturing	Operational
191	Patricia Christopher, Enterprises	Zonkwa	Leather Works	Operational
192	John Yashin, Enterprises	Kpak- Kagoro	Wood Works	Operational

## 2. Agriculture/Food/Confectionary

S/No	Name of Establishment	Location/Address/Tel. No.	Nature Of Business	Operational Status
1	Drinco Industries Ltd	Kudenda Kaduna	Food Processing	Closed Down
2	Northern Noodles Ltd.	168 Kachia Road, After NNPC Refinery Junction, Kaduna.	Food Processing	Operational
3	Arewa Bottling Company (Nig.) Ltd.	Kakuri, Kaduna	Food Processing	Dormant
4	Capital Foods (Nig.) Ltd.	Plot J.1, Mando/Airport Road, Kaduna	Bakery And Confectioneries	Dormant
5	National Grains Production Company Ltd.	Kaduna	Food Processing	Operational
6	Nigeria Breweries Plc	Nasarawa Road, Kakuri, Kaduna	Food Processing	Operational
7	International Beer And Beverage Ind.(IBBI)Ltd.	1a, Kudenda Ind. Area, Nnamdi Azikwe Express, Way Kaduna	Food Processing	Operational
8	Sunseeds (Nig.) Plc.	Old Jos Road, Dakace Ind. Area, Zaria	Agro-Based	Operational
9	Zazzau Gingery Ltd.	Muchiya Road, S/Gari, Zaria	Agro-Based	Dormant

10	Kachia Foods Co. Ltd.	Of Gumel-Kwoi Road, Kachia	Food Processing	Dormant
11	Kafanchan Feeds And Flour Mills, Ltd.	Kafanchan Ind. Area, Kafanchan	Foods And Feeds Processing	Dormant
12	Jema'a Bakery Ltd.	Unguwar Rimi Road, Katsit, Kafanchan	Bakery And Confectioneries	Dormant
13	Ikara Foods (Nig.) Ltd.		Food Processing	Dormant
14	Nigerian Dairies Ltd.	Kad-Zaria Express Way, Kaduna	Food Processing	Operational
15	KD. Water And Drinks Company (Nig.)Ltd.	Kawo Light Industrial Area, Kaduna Box 5425 062-217106	Manufacturing	Operational
16	Okin Bottling Company (Nig.)Ltd.	Kakuri Industrial Estate Box 1529,Kaduna	Manufacturing	Dormant
17	Sanders Feeds, Ltd.	Kachia Road Kaduna	Agro-Based	
18	Toppex Industries Investment, Ltd	No.7 Abuka Express Way, Kaduna	Bakery And Confectioneries	Operational
19	Harco Vegetable Oil And Grains Processing Company	Zaria	Food Processing	Operational
20	Premier Seeds, Ltd	Chikaji Industrial Estate Zaria 069-33202,334804	Agro-Based	Closed Down
21	Alheri Seeds Ltd.	Chikaji, Zaria	Agro-Based	
22	Niyya Foods & Drings (Nig.) Ltd.	TI3,Nnamdi Azikwe Express Bye Pass 062-5040,08036481910	Agro-Based/ Food Processing	Operational
23	Home Fresh Yoghurt Ltd.	Ung/ Sarki Kaduna	Food/Dairy Products Processing	Operational
24	Cadbury (Nig.) Ltd.	Zaria	Conglomerate	
25	Mobel (Nig.)Enterprises	Pq 1, Igabi Road By Zango Road,Kaduna,08033334225	Food Beverage	
26	Nigerian Bottling Co. Plc	No2 Inuwa Abdulkadir Road, Kaduna	Food Processing And Beverage	Operational
27	Olu Water Technologies, Ltd.	B9,Abeokuta/Nupe Road,Kaduna,08023639462	Food Processing	Operational
28	Alhh. Bello Bakeru Ltd.	Alh. Bello Str. Pambegua, Kaduna	Bakery And Confectionery	Operational
29	Alh. Bello Bread, Ltd.	Line Sarkin Pama, Giwa	Bakery And Confectionery	Operational
30	Alheri Bread	11,Nababa Str. Rigasa	Bakery And Confectionery	Operational
31	Alheri Special Bread	22, Zonkwa Road, Narayi Village, Kaduna	Bakery And Confectionery	Operational
32	Alheri Special Bread	Jere, Kagarko	Bakery And Confectionery	Operational
33	Arewa Brown Bread	11,Makarfi Close, Rigasa, Kaduna	Bakery And Confectionery	Operational
34	Campala Social Bread	Bb 79,New Mkt, Kaduna Road	Bakery And	Operational

		Pambegua	Confectionery	
35	Chisco Bread	6, Ogbomosho Str. Kafanchan	Bakery And Confectionery	Operational
36	First Class Bread Bakery	72,Natalla Road, Hayin Baki, Kawo Kaduna	Bakery And Confectionery	Operational
37	Haske Bread Bakery, Ltd.	C17,Rigasa Kaduna	Bakery And Confectionery	Operational
38	Iyeru Okin Bakery, Ltd.	Ac7,Fasjari Road T/Wada, Kaduna 062-216531	Bakery And Confectionery	Operational
39	Jovad (Nig.) Ltd.	A.H.91,Katsina Road, Kaduna 06223604	Bakery And Confectionery	Operational
40	Lovers Special Bread	Sabon Gari, Kachia	Bakery And Confectionery	Operational
41	M.C. Bakery Bread	Kaduna-Kauru Road, Pambegua, Kaduna	Bakery And Confectionery	Operational
42	Morning Star Bread	Main Market, Kagoro Kpak Kagoro	Bakery And Confectionery	Operational
43	Morning Start Bakery	Bakin Kasuwa T/Wada Makarfi 08050704534	Bakery And Confectionery	Operational
44	Mudupe Banise Bakery	Behind Kawo Nursery And Primary, Birnin Gwari	Bakery And Confectionery	Operational
45	Oluwa Tosin Bread	26,Mamman Doku Rd. Zaria	Bakery And Confectionery	Operational
46	Our Bos Bread	Sokoto Street, Kafanchan	Bakery And Confectionery	
47	Saba Industry, Ltd.	Sb6x8 Saba Close Kabala West Kaduna 062-238094	Bakery And Confectionery	Operational
48	Shiyaki Bakery, Ltd.	No,4 Market Road Sabon Tasha, Kaduna	Bakery And Confectionery	Operational
49	Zumunta Bread Ltd.	No.22 Muchia Road Kaduna	Manufacturing	Operational
50	Kaduna Bottlers Division Of John Holt	17a,Inuwa Abdulkadir Kaduna	Manufacturing	Closed Down
51	Al-Aman (Nig.) Ltd.	2b,Waziri Ibrahim Crescent, Abakpa Kaduna 062-239696	Manufacturing	Operational
52	Sanctity Table Water (Nig.) Ltd.	Musa Sakuru Street U/Makama Saminaka	Food/Water Processing	Operational
53	Silver Table Water Industry	U/Makama Saminnaka 08044975340	Food/Water Processing	Operational
54	Alheri Bread, Ltd.	T/Wada- Ikara	Bakery	Operational
55	Imam Bread (Nig.) Ltd.	T/Wada- Ikara	Bakery	Operational
56	Lover's Bread (Nig.) Ltd.	Layin Sarki-Ikara	Metal Construction	Operational
57	Saza Bread (Nig.) Ltd.	Tashanadamu Anchau	Bakery	Operational
58	Morning Star Special Bread (Nig.) Ltd.	Layin Dankade Anchau	Bakery	Operational
59	Makarfi Suger Ind.	Governor's Road	Manufacturing	Closed

	Ltd.			Down
60	Sha'awa Bread Ltd.	Tashar Rimi, Hunkuyi	Manufacturing	Operational
61	Hamdala Bread Ltd.	Rimi Hunkuyi 08054526931	Bakery	Operational
62	Shukara Bread Ind. (Nig.) Ltd.	Laying Pompo T/Wada 0805976317	Bread	Operational
63	Zuma Bread No.1 (Nig.) Ltd.	Bakin Kasuwa T/Wada Makarfi 08043925695 08024386457	Bread	Operational
64	Belphins (Nig.) Ltd.	Adwan 5, Madakiya Road, Pmb 0001, Kafanchan	Food Processing	Operational
65	Taimako Table Water	Lagos Road, Birnin Gwari	Food/Water Processing	Operational
66	One For Table Water	Funtua Road, B/Gwari 08026599279	Food/Water Processing	Operational
67	Saj Food (Nig.) Ltd.	No.12 Shika Street Sabon Gari Zaria 069-370594, 08037030450	Manufacturing	Operational
68	Alh. Sabo Mohammed & Sons Ltd.	No.137 Kofar Doka Zaria Ciy. 069-330591	Agro-Based	Operational
69	Rahamaniyya Yoghurt (Nig.)	No.15 Oil Jos Road T/Wada, Zaria, 08028778816.	Food/Water Processing	Operational
70	Maliki Hatchery Enterprises	No.48 Amaru, Zaria City .08036826407	Agro-Based	Operational
71	Alaramu Ja'afaru Ibrahim Enterprises	No.15 Jushi Zaria City 08036102528	Agro-Based	Operational
72	Alhaji Shehu Lawal (Nig.) Ind.	No.4u/Male, Zaria	Bakery	Operational
73	Alh. Abubakar Haruna (Nig.) Ind.	No.17 melebakin Kasuwa, Zaria City	Bakery	Operational
74	Kabir Sani Tambaya (Nig.) Ltd.	No.1 Nakwamati House Kofan Doka Zaria 08035956042	Food/Water Processing	Closed Down
75	Nakowa (Nig.) Enterprises	No.2 kaduna Road, Danmagani Zaria 08036262897.	Food/Water Processing	Operational
76	Aminu Ja'afaru Lawal Enterprises	No.1 kofan Doka Near Fire Service Zaria	Agro-Alied	Operational
77	Golden Links R/Ramid Investment (Nig.) Ltd.	No.29 Abubakar Usman Road Jama'a Sabon Gari-Zaria` 08034161287.	Food Processing	Operational
78	C.Way (Nig.) Ltd.	Gina Dabe Road Kaduna	Food Water Processing	Operational
79	Asab Pharms (Nig.) Ltd	Nnamdi Azikwe By Pass Mando	Agro-Based	
80	Novo-Selo Industry (Nig.) Ltd.	Off Ali Akilu Way, Kaduna	Agro-Based	Operational
81	Nagarta Foods (Nig.) Ltd.	Off Nnamdi Azikwe Bye Pass U/Mu'azu Ind. Layout, Kaduna.	Manufacturing	Operational
82	Lasabel Investment Ltd.	Nnamdi Azikwe Express Bye Pass Bakin Ruwa, Kaduna O62-	Food Processing	Operational

		412037		
83	Jamil (Nig.) Ltd.	M924/30 Nnamdi Azrkw Express Bye Pass Bakin Ruwa, Kaduna	Food Processing	Operational
84	Sofun Farms (Nig.) Ltd.	Hanwa Low Cost Area, Behind Jim Harrison Hotal P.O. Box 616,Zaria	Agro Allied	Operational
85	A.A Production Company Ltd.	No3 U/Fulani Palladan Zaria	Food/Water Processing	Operational
86	De-Sanco Ster (Nig.) Ltd.	42 Water Tank Road Hanwa New Extension Sabon Gari Zaria	Food/Water Processing	Operational
87	Dalema Bakery (Nig.) Ltd.	70a Isa Kaita Road, P.M.B. 2208 Kaduna	Bakery	Operational
88	Na Matsirga Enterprises	No.29 Nababa Street Rigasa Kaduna	Bakery	Operational
89	Maliki Hatcheri Enterprises	No. 4b Ung/Umaru Zaria City	Agro-Based	Operational
90	Albarka Feeds Ltd.	No.1 Kofan Doka Near Fire Services Zaria	Agro-Based	Operational
91	Sharabun Dayyibun Yoghurt Ltd.	Nuubamali Road Jushi Zaria City	Water/Food Processing	Operational
92	Gambo Ayuba Rice Mill (Nig.) Ltd.	No 27 Alh. Usman Street Yanawaki Muchia S/Gari Zaria	Agro-Based	Operational
93	Natholade Services Ltd.	Kalaluwa Hayindogo Samaru Zaria	Bakery	Operational
94	Johad (Nig.) Ltd	No. 1 /4 Ahmadu Bello Way P.M.B 2052. Kaduna	Agro – Allied	Operational
95	Goyyoto (Gin). Enterprises	Opp. Lea Primary School, Ung. Gwari Kawo – Kaduna 062394781.	Food /Water Processing	Operational
96	Prime Feeds (Nig.) Ltd.	No. R2 Ayd N10 Road U/Gwari – Kawo Kaduna, 08023580045, 08050460062.	Agro-Base	Operational
97	Ramo Water (Nig.). Ltd.	A2b Sabon Gari Afaka Mando, 08023090468, 062310313.	Food /Water Processing	Operational
98	Ansar Sweetened Yoghurt (Nig.). Ltd.	No. 7 Bamako Road U/Rimi Kaduna.	Food /Water Processing	Operational
99	Debi Bakery And Confectionery (Nig.). Ltd	33/35kurmi Avenue Ja'afaru Estate. Costain Kaduna 062245596, 08044127290.	Bakery	Operational
100	Himma Bakery (Nig.). Ltd.	Shehu Laminu Road U/Rimi Kaduna.	Bakery	Operational
101	Ni'ima Bakery	Shehu Laminu Road U/Rimi Kaduna.	Bakery	Operational
102	Eagle Water Ltd.	Kadara Street Goningora Kaduna, 08033499725.	Food /Water Processing	Operational
103	Hass (Nig.).	No.5 Kagarko Street Kawo New	Bakery	Operational

	Enterprises.	Extension Kaduna.		
104	Nabeel Yoghurt (Nig.). Ltd	No.1 Kagoro Close By Nnamdi Azikwe Express Bye Pass Kaduna.	Food Processing	Operational
105	Iyeru Okin Bakery (Nig.). Ltd.	Ae Faskari Close Tudun Wada New Extension Kaduna.	Bakery	Operational
106	Alh. Abdullahi Aliyu (Nig.). Enterprises.	Birnin Gwari	Agro-Allied	Operational
107	Alh. Ibrahim Suleiman, Enterprises.	Birnin Gwari	Agro-Allied	Operational
108	Alh. Moh'd Mai Taki, Enterprises.	Birnin Gwari	Agro-Allied	Operational
109	Alh. Hamisu Ibrahim, Enterprises.	Birnin Gwari	Agro-Allied	Operational
110	Alh. Nalado Salihu Udawa, Enterprises.	Udawa Chukun, Kaduna.	Agro-Allied	Operational
111	Kefang International Ltd.	Narayi Chukun, Kaduna.	Agro-Allied	Operational
112	Home And Gardens Extension Ltd.	Mararaban Igabi	Agro-Allied	Operational
113	Hajiya Kaltume Usman Enterprises.	Badarwa, Kaduna.	Agro-Allied	Operational
114	Koroma Kudan Cooperative Society.	Kaduna Town	Bakery	Operational
115	Amoda (Nig.). Enterprises.	Kafanchan	Agro-Allied	Operational
116	Alh. Ali Mai-Tanki, Enterprises.	Sabon Tasha, Kaduna.	Agro-Allied	Operational
117	Boka Investment Ltd.	Birnin Gwari Town.	Agro-Allied	Operational
118	Mr. Yakubu Audu, Enterprises.	Zonkwa (Doruwa)	Agro-Allied	Operational
119	Alh. Dauda Junaibu, Enterprises.	Dogon Dawa Birnin Gwari.	Agro-Allied	Operational
120	Mr. Yakubu Audu, Enterprises.	Kurmin Sara Kachia.	Agro-Allied	Operational
121	Maimuna Bakery And Confectionery Industry.	Nassarawa Kaduna	Bakery	Operational
122	Oila Vestures Ltd.	Plot 7 Railway Station Road Kaduna.	Bakery	Operational
123	Divine Blessed Bread Ltd.	Mararaban Kajuru, Kajuru	Bakery	Operational
124	Ezedam Enterprises.	Kagoro – Kaura	Agro-Based	Operational
125	I.S.G. International Ltd.	Kurmin Mashi Kaduna.	Bakery	Operational
126	Al-Firdaus (Nig.) Enterprises.	Tudun Wada Kaduna.	Food Processing	Operational

127	Gambo Mohammed Awwal.	Kawo-Kaduna.	Agro-Based	Operational
128	Alh.Saliyu Abbas	Rigasa-Kaduna	Bakery	Operational
129	Isah Duya Mabushi, Enterprises	Mabushi	Agro-Based	Operational
130	Dominic S. Umaru, Enterprises	Narayi Kaduna	Agro-Based	Operational
131	Mal. Rilwanu Aliyu	Giwa	Bakery	Operational
132	Mal. Aliyu Lawan Enterprises	Gangara Giwa	Agro-Based	Operational
133	Mal. Rilwanu Salisu, Enterprises	Gangara Giwa	Agro-Based	Operational
134	Mal. Mamuda Yusuf, Enterprises	Kaya-Giwa	Agro-Based	Operational
135	Alh. Garba Sarkin, Enterprises	GubuChi- Makarfi	Agro-Based	Operational
136	Nomsu D. Maikano, Enterprises	Kwoi Jaba	Agro-Based	Operational
137	Tally International (Nig.). Ltd.	Az50 Maiduguri Road P.O.Box1262 Kaduna 062-211720, 08023715103	Agric Processing	Operational

### 3. Textiles

S/No	Name Of Establishment	Location/Address/Tel. No.	Nature Of Business	Operational Status
1	Poly Fibre Industries Ltd.	C3, Kudenda Ind. Area Kaduna	Poly Proplane Processing	Closed Down
2	SRC Company, Kaduna	Kudenda Kaduna	Textiles	Dormant
3	Nortex Nigeria Textiles Ltd.	Textiles Road, Kakuri, Kaduna	Manufacturing	Dormant
4	Finetex Nigeria Textiles Ltd	Plot 9c Inuwa Abdulkadir Road, Kakuri, Kaduna	Manufacturing	Dormant
5	Super Tex Textiles (Nig.) Ltd	Textiles Road, Kakuri, Kaduna	Manufacturing	Dormant
6	United Nigeria Textiles Plc	Nasarawa Road, Kakuri, Kaduna	Manufacturing	Operational
7	Arewa Textile Nigeria Ltd	Textiles Road, Kakuri, Kaduna	Manufacturing	Dormant
8	Kaduna Textiles (Nig.) Ltd	Textiles Road, Kakuri, Kaduna	Manufacturing	Dormant
9	Unitex Nig. Ltd.	Kachia Road, Kaduna	Manufacturing	Dormant
10	Chalco Industry,	Kudenda Ind. Layout, Kaduna	Manufacturing	Operational

	Ltd.			
<b>11</b>	Harco Textile Industry	No.22 Chikaji Industrial Area. Zaria	Manufacturing	Closed Down

#### 4. Automobiles

S/No	Name Of Establishment	Location/Address/Tel. No.	Nature Of Business	Operational Status
1	Peugeot Automobile Nig. Ltd.	Plot 1144, Malam Kulbi Road, Kakuri, Kaduna 062-231131,234305	Automobile Assembly	Operational
2	Universal Automobiles &Parts (Nig.) Ltd.	Kaduna	Manufacturing	Closed Down

#### 5. Media/Printing/Publishing

S/No	Name Of Establishment	Location/Address/Tel. No.	Nature Of Business	Operational Status
1	New Nigeria Newspapers Company, Ltd.	Ahmadu Bello Way, Tel.062-234864,243365,246220,24221, 214719 Kaduna	Printing/ Media	Operational
2	Ansa Papers (Nig.) Ltd.	Kakuri Kaduna	Manufacturing	Dormant
3	Ojiaka Ventures, Ltd.	T12 Faki Road/	Printing And	Operational
4	Northern Nigeria Publishing Company, Ltd.	Zaria	Printing And Publishing	Operational
5	Baraka Press And Publishers Ltd.	Ahmadu Bello Way, Kaduna	Printing And Publishing	Operational
6	Democrat Newspapers	Kaduna	Print Media	Closed Down
7	Today Newspapers Ltd.	Kaduna	Print Media	Closed Down
8	Hotline Publishing Company (Nig.)Ltd.	Kaduna	Printing And Publishing	Dormant
9	Mavertik Consults &Associates, Ltd.	5 <sup>th</sup> Flood Nidb Building, 18, Moh'D Buhari Way, Kaduna 062-245003, 244997.	Techno-Services	
10	Adenic (Nig.) Ltd.	Vv5,Keffi Road, Box 7742,Kaduna 062-236646	Printing And Publishing	Operational

<b>11</b>	Arewa Printer Ltd.	An 25a Gamagira Road, T/Wada, Kaduna	Printing And Publishing	Operational
<b>12</b>	Citizens Communications (Nig.) Ltd.	4a,Sultan Road, GRA P.M.B. 33341 Kaduna	Printing And Publishing	Operational

## 6. Health/Pharmaceuticals

<b>S/N o</b>	<b>Name of Establishment</b>	<b>Location/Address/Tel. No.</b>	<b>Nature Of Business</b>	<b>Operational Status</b>
1	Astra-Arewa (Nig.) Ltd.	Plot. 13 Inuwa Abdulkadir Road, Kakuri, Kaduna	Heath Care	Dormant
2	Zaria Pharmaceuticals Co. Ltd.	Old Jos Road, Dakaci Ind. Area, Zaria	Health	Dormant
<b>3</b>	Pfizer Products Ltd	Zaria	Conglomerate	Dormant
<b>4</b>	Ollan Pharmacy Ltd.	Ahmadu Bello Way Kaduna	Healthcare Manufactory	<b>Operational</b>
<b>5</b>	Arewa Pharmaceutical (Nig.) Ltd.	31 Inuwa Abdulkadir Road 080 3505381.	Manufacturing	Dormant

## 7. Mining

<b>S/No</b>	<b>Name Of Establishment</b>	<b>Location/Address/Tel. No.</b>	<b>Nature Of Business</b>	<b>Operational Status</b>
<b>1</b>	Cibi Nigeria Ltd.	F3,Cibi Road, Nnamdi Azikwe Express Bye Pass, Kaduna 062-319908	Quarrying	Operational
<b>2</b>	Abdullahi Mohammed Industry Ltd (Amil)	125\129,Sabon Birni Road, Kawo New Extension, Kaduna,062-312330	Mining\Trade	Operational
<b>3</b>	Miero Marble Granite & Stones (Nig.). Ltd	Shop 15 / 14 Off Kaduna Airport Road, Mando.	Quarrying	Operational
<b>4</b>	Al-Hayatu Gems (Nig.). Ltd.		Gem Processing	Operational

## 8. Oils & Petrochemicals

<b>S/No</b>	<b>Name Of Establishment</b>	<b>Location/Address/Tel. No.</b>	<b>Nature Of Business</b>	<b>Operational Status</b>
1	National Oil And Chemical Company, (Nig.)	Kachia Road,Kaduna	Petrochemical	<b>Operational</b>

	Ltd.			
2	Kaduna Refinery And Petro-Chemicals Company, Ltd.	Kachia Road, Kaduna	Petro-Chemical Processing	<b>Operational</b>
3	T.Y. Chemicals Nig. Ltd.	Refinery Road, Off Kachia Rd, Kaduna	Blending And Marketing Of Oils	<b>Operational</b>
4	Oando (Nig.) PLC.	Kachia Road, Refinery Ind. Area Kaduna	Lubrigaciants	Operational
5	Major Oil Blending Plant(Nig.) Ltd.	Kachia Road, Kaduna	Blending And Marketing	Dormant
6	Unipetrol Blending Plant	Textiles Road, Kakuri, Kaduna	Petrochemical	Operational
7	Oil Blending Plant	Kachia Road	Lube Oil Production	
8	Zest Industry (Nig.) Ltd.	Kachia Road Along Refinary.	Petrochemical	Closed Down

## 9. Transport

S/No	Name Of Establishment	Location/Address/Tel. No.	Nature Of Business	Operational Status
1	Inland Containers Ltd.	Kaduna	Manufacturing	Operational

## 10. Construction

S/No	Name Of Establishment	Location/Address/Tel. No.	Nature Of Business	\Operational Status
1	I.T.C.C. Ltd.	Kujama, Kaduna 062-243555,243824		

## 11. Others

S/No	Name Of Establishment	Location/Address/Tel. No.	Nature Of Business	Operational Status
1	Gazimpex W A Ltd.	Nm8,Constitution Road, Kaduna, 062-244091	Trade	Closed Down
2	Daltrade (Nig.)Ltd	25,Gwamna Road,Gra,Kaduna,062-415062	Sandcrete	Operational
3	Napo Recycling Firm	Wusasa Road, Behind	Recycling	Operational

		Nakowa Restaurant P.O. Box 192 Wusasa Zaria		
<b>4</b>	Safiyaniya And Sons (Nig.). Ltd.	Sabon Gari Afaka	Production Of Cosmetics	Operational
<b>5</b>	Zizizi (Nig.). Enterprises	Garage Agban	Sancrete	Operational
<b>6</b>	Tstl Industry (Nig.) Ltd.	U/Shanu Kaduna	Production Of Cosmetics	Operational

## **Appendix V**

### **Investment Incentives in Nigeria 276**

As part of the efforts to provide an enabling environment that is conducive to the growth and development of industries, inflow of foreign direct investment (FDI), shield existing investments from unfair competition, and stimulate the expansion of domestic production capacity; the Federal Government of Nigeria has developed a package of incentives for various sectors of the economy. These incentives, it is hoped, will help revive the economy, accelerate growth and development, and reduce poverty.

Nigerian government accepts the private sector as the engine of growth and the creator of wealth, while the government's major responsibility is to provide the enabling environment for the private investors to operate. In this regard, laws which had hitherto hindered private sector investments have been either amended or repealed and a national council on privatization has been established to oversee orderly divestment to private operators in vital areas of the economy such as mining, transportation, electricity, telecommunications, petroleum, and gas.

Nigerian government's policy of economic deregulation and liberalization has opened up new windows of opportunity to all investors wishing to invest in the country's economy. In this connection, an interest rate regime supportive of the real sector of the economy as well as an exchange rate that is market determined are the object of government policy. The security of life and property of the citizens are being vigorously pursued with the reorganization and strengthening of the Nigerian police force.

In addition, the Nigerian investment promotion council (NIPC) has been strengthened to enable it serve as a one-stop office for clearing all the requirements for investment in the country. The tariff structure is being reformed with a view to boosting local production.

Government has introduced a new visa policy to enable genuine foreign investors to procure entry visa to Nigeria within 48 hours of submission of required documentation.

Existing "expatriate quota" requirement for foreign nationals working in Nigeria is in the process of being replaced with "work permit" which will be administered by the Nigerian investment promotion council (NIPC).

Within the past few years following the end of military dictatorship in Nigeria, government has progressively introduced a number of incentives designed to promote investments. These are grouped as follows:

#### **Industrial sector**

##### **Taxation:**

fiscal measures have been drawn to provide for deductions and allowances in the determination of taxable income of manufacturing enterprises, including:

Pioneer status, which is a concession to pioneer companies located in economically disadvantaged areas, providing a tax holiday period of five to seven years. These industries must be considered by the government, to be beneficial to the country's economy and in the interest of the public. Companies that are involved in local raw material development; local value added; labour intensive processing; export oriented activities; in-plant training; are also qualified for additional concessions

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**Tax Relief for Research and Development (R&D)**

Up to 120% of expenses on R&D are tax deductible provided that such R&D activities are carried out in Nigeria and are connected with businesses to which allowances are granted. The result of such research could be patented and protected in accordance with internationally accepted industrial property rights.

**Local Raw Materials Utilization:**

30% tax concession for five years to industries that attain minimum local raw materials utilization as follows: - agro 80% - agro allied 70% - engineering 65% - chemical 60% - petro-chemical 70%

**Labour Intensive Mode of Production:**

15% tax concession for five years. The rate is graduated in such a way that an industry employing one thousand persons or more will enjoy 15% tax concession while an industry employing one hundred will enjoy only 6%, while those employing two hundred will enjoy 7%, and so on.

**Local Value Added**

10% tax concession for five years. This applies essentially to engineering industries, while some finished imported products serve as inputs. This is aimed at encouraging local fabrication rather than the mere assembly of completely knocked down parts.

**In-plant Training**

2% tax concession for five years, of the cost of the facilities for training.

**Export oriented industries**

10% tax concession for five years. This concession will apply to industries that export not less than 6% of their products.

**Infrastructure**

20% of the cost of providing basic infrastructures such as roads, water, electricity, where they do not exist, Is Tax Deductible Once And For All.

**Investment in Economically Disadvantaged Areas**

100% tax holiday for seven years and additional 5% depreciation over and above the initial capital depreciation.

**Abolition of Excise Duty**

All excise duties were abolished with effect from the 1st of January, 1999.

**Import Duty Rebate**

A 25% import duty rebate was introduced in 1995 to ameliorate the adverse effect of inflation and to ensure increase in capacity utilization in the manufacturing sector. investors are

however, advised to ascertain the current operative figures at the time of making an investment, because these concessions have undergone some amendments in the past few years.

### **Re-Investment Allowance**

This incentive is given to manufacturing companies that incur capital expenditure for purposes of approved expansion of production capacity; modernization of production facilities; diversification into related products. it is aimed at encouraging reinvestment of profits.

### **Investment Tax Allowance**

This scheme, a company would enjoy generous tax allowance in respect of qualifying capital expenditure incurred within five years from the date of the approval of the project. Dividends derived from manufacturing companies in petro-chemical and liquefied natural gas sub-sector is exempt from tax. Companies with turnover of less than n1 million are taxed at a low rate of 20% for the first five years of operation if they are into manufacturing. Dividend from companies in manufacturing sector with turnover of less than n100 million is tax-free for the first five years of their operation.

### **Investment Guarantees/Effective Protection**

**Transferability of Funds** section 24 of NIPC decree provides that a foreign investor in an enterprise shall be guaranteed unconditional transferability of funds through an authorised dealer in freely convertible currency of:

- dividends or profit (net of taxes) attributable to the investment;
- payments in respect of loan servicing where a foreign loan has been obtained;
- remittance of proceeds (net of all taxes) and other obligations in the event of a sale or liquidation of the enterprise or
- Any interest attributable to the investment.

### **Guarantees against Expropriation**

By the provision of section 25 of the same NIPC decree, no enterprise shall be nationalized or expropriated by any government of the federation, unless the acquisition is in the national interest or for public purpose; and no person who owns either wholly or in part, the capital of any enterprise shall be compelled by law to surrender his interest in the capital to any other person.

These can only be done under a law that makes provision for:

- payments of fair and adequate compensation; and
- Right of access to the courts for the determination of the investor's interest or right and the amount of compensation to which he is entitled.

In addition to all these safeguards, the Nigerian government is prepared to enter into investment protection agreement with foreign enterprises wishing to invest in Nigeria.

### **Access to Land**

Any company incorporated in Nigeria is allowed to have access to land rights for the purpose of its activity in any state in the country. it is, however, a requirement that industrial companies comply with regulations on use of land for industrial purposes and with environmental regulations. Land lease is usually for a term of 99 years unless the company stipulates a shorter duration.

## **Oil & Gas Sector**

The following fiscal incentives have been approved by the government in the gas production phase:

- Tax rate under petroleum profit tax (PPT) act to be at the same rate as company tax which is currently at 30%;
- Capital allowance at the rate of 20% per annum in the first 4 years, 19% in the 5th year and the remaining 1% in the books;
- Investment tax credit at the current rate of 5%;
- Royalty at the rate of 7% on shore and 5% offshore.

## **Gas Transmission and Distribution**

- Capital allowance as in production phase;
- Tax rate as in production phase;
- Tax holiday under pioneer status.

## **LNG projects**

- Applicable tax rate under ppt is 45%;
- Capital allowance is 33% per annum on sight-straight-line basis in the first three years with 1% remaining in the books;
- investment tax credit of 10%;
- Royalty of 7% on shore, 5% offshore tax deductible.

## **Gas exploitation (upstream operations)**

- All investments necessary to separate oil from gas from the reserves into suitable products is considered part of the oil field development;
- Capital investment facilities to deliver associated gas in usable form at utilization or transfer points will be treated for fiscal purposes as part of the capital investment for oil development;
- Capital allowances, operating expenses and basis for assessment will be subjected to the provisions of the PPT act and the revised memorandum of understanding (MOU).

## **Gas Utilization (Downstream Operations)**

Incentives for encouragement of exploitation and utilisation of associated gas for commercial purpose include:

- An initial tax free period of three years renewable for an additional two years;
- 15% investment capital allowance which shall not reduce the value of the asset;
- All fiscal incentives under the gas utilization down-stream operations in 1997 are to be extended to industrial projects that use gas in power plants, gas to liquid plants, fertilizer plants and gas distribution/transmission plants;
- The initial tax holiday is to extend from three to five years;
- Gas is transferred at 0% ppt and 0% royalty;
- Investment capital allowance is increased from 5% to 15%;
- Interest on loans for gas projects is to be tax deductible provided that prior approval was obtained from the federal ministry of finance before taking the loan;
- All dividends distributed during the tax holiday shall not be taxed.

## **Oil & Gas Free Zone**

Incentives and fiscal measures approved by the government that favour and encourage large investment in the region include:

- No personal income tax;
- 100% repatriation of capital & profit;
- No foreign exchange regulation;
- No pre-shipment inspection for goods imported into the free zone;
- No expatriate quota;
- Initial tax holidays period has been extended from 3 to 5 years and renewable for another 2 years;
- Investment capital allowance has been increased from 5% to 15%;
- All dividends distributed during the tax holiday shall be tax-free, etc.

## **Petroleum Industry**

Very similar generous incentives package was granted the joint venture system and is contained in the MOU signed with oil companies. Details of this can be downloaded from our soon-to-be-launched embassy website - [www.Nigeriaembassyusa.org](http://www.Nigeriaembassyusa.org).

## **Agriculture**

Without prejudice to governments' deregulation of the financial sector, banks have been enjoined to recognize the differences in the gestation periods within each category of agricultural loans ranging from 6 months to 10 years, for crops, livestock, fisheries, forestry and wild life.

In addition, the following incentives are also available;

- companies in the agro-allied business do not have their capital allowance restricted to 60% but graduated in full - 100%;
- Agro-allied plant and equipment enjoy enhanced capital allowances of up to 50%.

## **Solid Minerals**

Nigeria is richly endowed with a variety of solid minerals of various categories ranging from precious metals, stones and industrial minerals such as barytes, gypsum, kaolin and marble. The ministry of solid minerals has worked out a package of attractive incentives for potential investors in the solid minerals sector, including:

- 3 to 5 years tax holiday;
- Deferred royalty payments depending on the magnitude of the investment and strategic nature of the project;
- Possible capitalization of expenditure on exploration and surveys;
- Provision of 100% foreign ownership of mining companies or concerns;
- In addition to roll-over relief under the capital gains tax (CGT), companies replacing their plants and machinery are to enjoy a once-and-for-all 95% capital allowance in the first year with 5% retention value until the asset is disposed of, etc.

## **Tourism**

The tourism sector was accorded preferred sector status in 1991. This makes it qualify for such incentives as tax holidays, longer years of moratorium and import duty exemption on tourism related equipment;

State governments are prepared to facilitate acquisition of land through the issuance of certificate of occupancy for the purpose of tourism development;

25% of income derived from tourists by hotels in convertible currencies are tax-exempt provided such income is put in a reserve fund to be utilized within 5 years for expansion or the construction of new hotels, conference centres, etc that are useful for tourism development.

### **Energy Sector**

All areas of investment in this sector are considered to be pioneer product or industry. As a result, there is a tax holiday of 5 to 7 years for investments in the sector.

There has been a deregulation of this sector resulting in the emergence of independent power producers (IPP) that will soon start operation in Nigeria.

### **Telecommunications**

Government provides non-fiscal incentives to private investors in addition to a tariff structure that ensures that investors recover their investment over a reasonable period of time, bearing in mind the need for differential tariffs between urban and rural areas. rebate and tax relief are provided for the local manufacture of telecommunications equipment and provision of telecommunication services.

### **Tax Incentives for Other Lines of Trade**

Companies profits in respect of goods exported from Nigeria are exempt from tax provided the proceeds are repatriated to Nigeria and used exclusively for the purchase of raw materials, plants equipment and spare parts. Profits of companies, whose supplies are exclusively input to the manufacturing of products for exports, are excluded from tax.

All new industrial undertakings including foreign companies and individuals operating in an export processing zone (EPZ), are allowed full tax holidays for three consecutive years. As a means of encouraging industrial technology, companies and other organizations that engage in research and development activities for commercialization are to enjoy 20% investment tax credit on their qualifying expenditure.

all companies engaged wholly in the fabrication of tools, spare parts and simple machinery for local consumption and export are to enjoy 25% investment tax credit on their qualifying capital expenditure while any tax payer who purchases locally manufactured plants and machinery are similarly entitled to 15% investment tax credit on such fixed assets bought for use.

### **Export Incentives for Non-Oil Sector**

Export proceeds can be retained in foreign currency in a domiciliary account with any authorized bank in Nigeria. A special export development fund has been set up by the government to provide financial assistance to private sector exporting companies to cover a part of their initial expenses in some export promotion activities, including training courses, symposia, seminars and workshops, export market research, advertising and publicity campaigns in foreign markets, trade missions, etc.

There is also an export adjustment fund scheme which serves as supplementary export subsidy to compensate exporters for the high cost of local production arising mainly from infrastructural deficiencies, and other negative factors beyond the control of the exporter.

Finally, Nigerian government established in 1991, an export processing zone (EPZ), which allows interested parties to set up industries and businesses within demarcated zones, with the objective of exporting the goods and services manufactured or produced within the zones.

Calabar in cross river state has been designated as the primary EPZ territory in Nigeria. incentives within the territory include, tax holiday relief; unrestricted remittance of profits and dividends earned by foreign investors; no import or export licenses are required; up to 100% foreign ownership of enterprises; sale of up to 25% of production is permitted in domestic market; etc,

All exports under the Nigerian value added tax (VAT) system are zero-rated and dividends received from investment in export-oriented businesses are to be free of tax.

## **Appendix VI**

### **Economy**

The Nigerian Government, conscious of the over-dependence on Oil which constitutes about 95% of generated revenue, has embarked on many measures to give the Nigerian a new lease on life. To generate a stronger and stable growth rate, the Government is promoting the increased production in the non-oil sector of the economy by creating a level-playing field for private-sector led activity. Essentially, the pivots around which the framework for economic growth and development will revolve include the following:

- agriculture and agro-business,
- solid minerals development,
- other manufacturing, including information and communications technology (ICT),
- crude oil,
- natural gas, and
- tourism

Other expected areas of concentration that will equally engender accelerated economic growth and poverty reduction are:

- diversification of the productive base of the economy,
- emphasis on agriculture and rural development to consolidate existing initiatives in ensuring food security and export possibilities, particularly in cassava, rice production, textiles, cash crops, livestock, and vegetable oil,
- continued privatization of government owned companies and public utilities
- maximum use of the opportunity available to the textile and garment industry through the African Growth Opportunity Act (AGOA)
- Promotion of environmental protection and management
- making Nigeria the hub of economic activity in West Africa
- Sensitization of the Nigerian public about the concept of the New Partnership for Africa's Development (NEPAD), which is the political and socio-economic program of the African Union (AU), and which is recognized as the expression of Africa's collective determination as willingness to develop and integrate into the global economy.

Government will provide Nigerian businesses with an enabling environment that will enhance their ability to take advantage of opportunities arising from NEPAD and the African Union.

As further proof of the Government's commitment to economic growth, in spite of the effects of the different global economy, the Nigerian Government has developed a home-grown poverty-reduction strategy known as NEEDS – National Economic Empowerment and Development Strategy. The strategy has as its core, some specific structural reforms:

- a. Anti-Corruption, Transparency and Accountability
  - Extractive Industries Transparency Initiative (EITI). Nigeria has enrolled in this initiative and has already started the process of hiring auditors to examine the Oil Accounts;
  - Establishment of the Economic and Financial Crimes Commission (EFCC), which has already succeeded in arresting several perpetrators of the high-level frauds and
  - Publication of monthly revenue allocations to all tiers of government,
- b. Public Sector Reforms

- c. Public Expenditure and Revenue Reforms dealing with heightening of budget with a view to reducing fiscal deficit
- d. Accelerated Privatization and Liberalization
- e. Accelerated growth and Equitable Development
  - Deregulation and Liberalization of the petroleum sector with a complete phase-out of government subsidies,
  - deregulation of the telecom sector and increasing available telephone lines
  - Diversification beyond the oil sector in support of other sectors such as SMEs, agriculture, solid minerals, manufacturing, tourism

The members of G-8 continue to be the largest Trading-Partners of Nigeria which exports mainly oil and imports essential commodities.

Conclusively, the main focus of the Nigerian Government for embarking on vigorous economic reforms is to build a more humane, productive, and courteous society where every citizen is valued, and the plight of the disadvantaged is adequately addressed.

## Appendix VII

### Picture Evidence of Some the Industries Collapsed/Closed down in Kaduna State



Figure 1: The front view of Supertex Ltd Closed since 2000.



Figure 2: left side View of Supertex Ltd

Figure 3: This is the front View of Arewa textile which was closed over decade ago.



Figure 4: The reminisce United Nigerian Textile Kaduna, Close down about decade a go.



Figure 5: Left side View of the deserted Supertext Textile Kaduna



Figure 6: Deserted entrance leading to Supertex mill, Kaduna



Figure 7: Right side view of the deserted Supertext mill, Kaduna



Figure 8: Reminisce of Arewa textile Kaduna Closed down since about 15 years ago.



Figure 9: Remaining standing Structure of Supertex closed down about decade ago.



Figure 10: Entrance leading to Coca Cola Bottling Company at Kakuri, Kaduna in low capacity operation



Figure 11: Dilapidated road leading to Reminisce of finetext mill at Kakuri, Kaduna. It was closed down in 2006



Figure 12: Front view of Coca Cola which said has been in low capacity operation since 2001.



Figure 13: front view of Peugeot Automobile Company, at very low operation, in 2005 the staff strength was cut down from 4000 to 300 only



Figure 14: Front view leading to deserted proshate and Fertilizer Company which was closed down since 1999 leading to loss of job to thousand workers



Figure 15: Reminisce Alminum Company Closed since 2003



Figure 16: Reminisce of Zaria pharmaceutical Company Close downed in 2000, over 5000 workers loss their jobs.



Figure 17: Remaining standing structure of deserted Ikara tomatoes processing Company



Figure 18: Front view of Peugeot Automobile Company, Kaduna



Figure 19: Entrance of WABCO at Kaduna which closed down since 2005



Figure 20: Front view of United Wire product Ltd which was closed down since 2004 at Kakuri, Kaduna

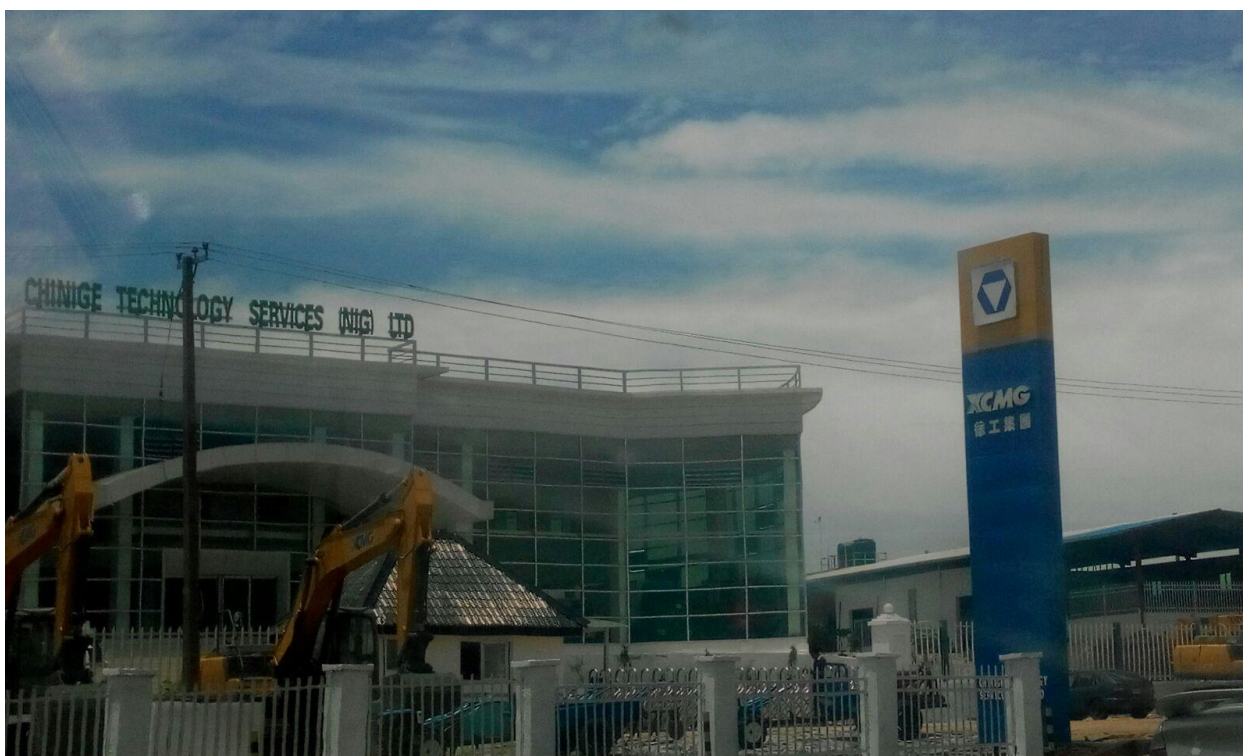


Figure 21: The front side view of the one surviving industries in Kaduna as at 2014



Figure 22: The entrance of the closed Savoury industries Limited in Kaduna, 2014

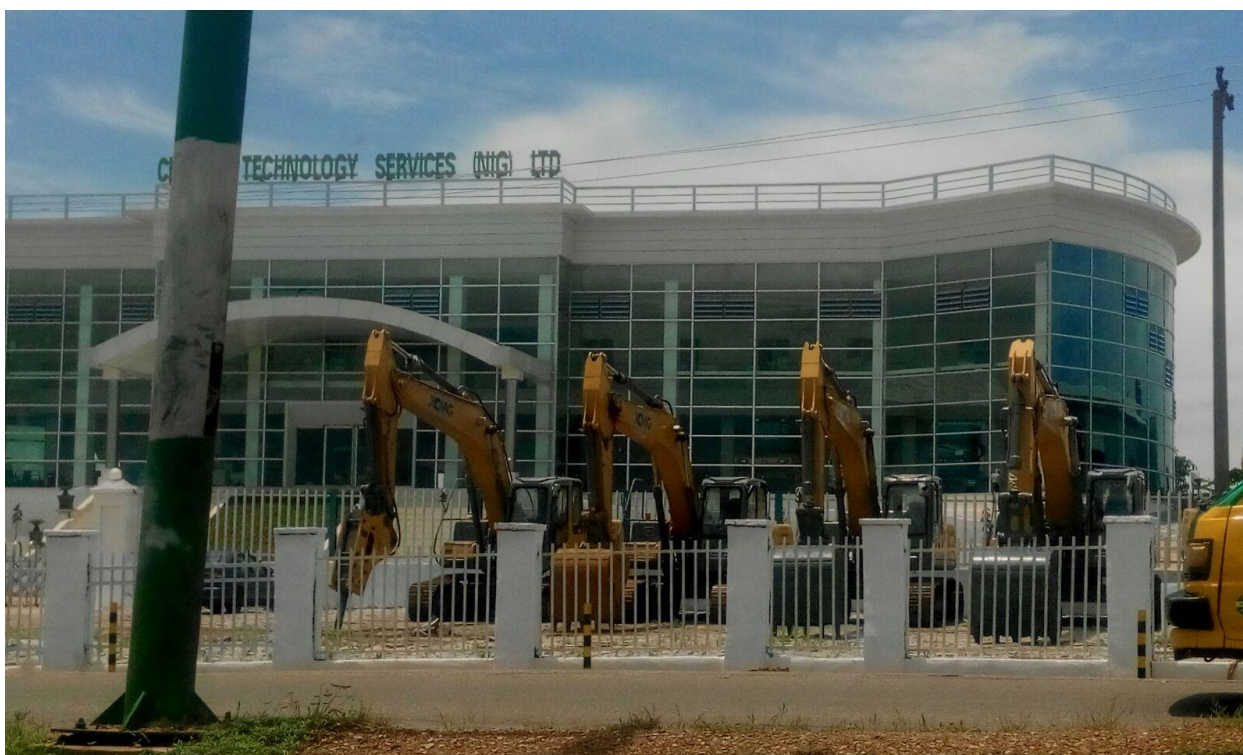


Figure 21: The left side view of one of the surviving industries in Kaduna as at 2014



Figure 23: The front view of the textile labour House, Headquarters of textile workers Union at Kaduna



Figure 24: The front View of deserted Safafoam factory in Kaduna, closed down in 2002



Figure 25: The front view of the deserted Zamfara textile limited Kaduna



Figure 26: The left hand side of the deserted UNTL, Kaduna

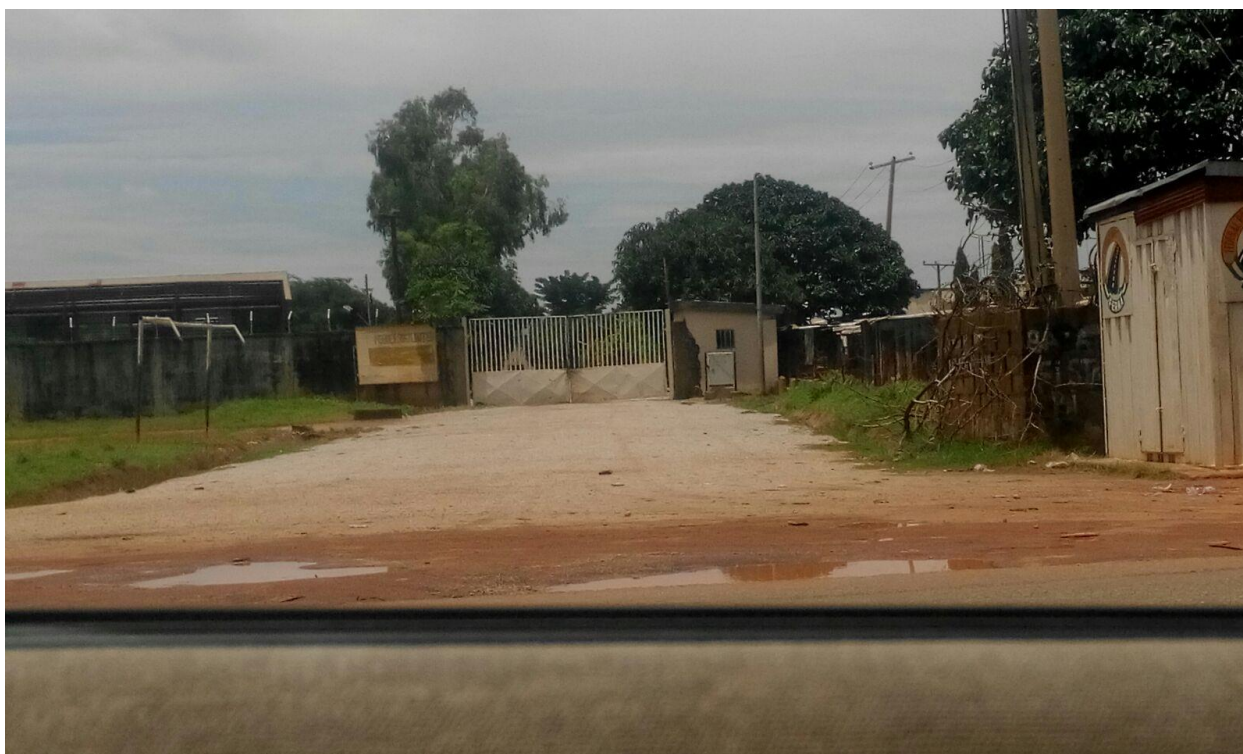


Figure 27: The gate of the closed down prosphate fertilizer, Kaduna



Figure 28: The deserted back side of the Prosphate fertilizer Company, Kaduna



Figure 29: Some parts of the deserted UNTL, Kaduna



Figure 30: Right side view of the deserted UNTL, Kaduna



Figure 31: The front view of road leading to deserted prosphate fertilizer Company, Kaduna



Figure 32: Some part of remaining structure of Nortex Textile limited, Kaduna

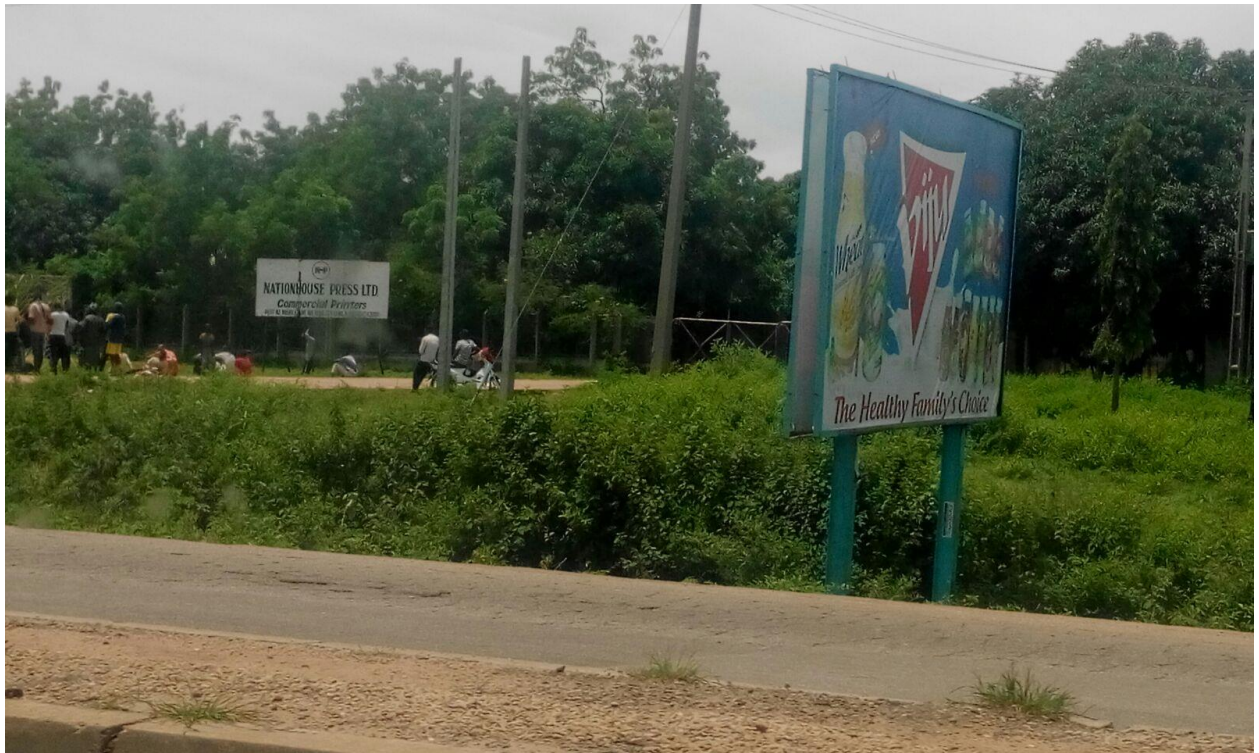


Figure 33: Delapudated road leading to Industrial estate, Kakuri



Figure 34: The reminance of the clopsed Kaduna flour mill



Figure 35: The front view of the deserted Nigerian Eagle flour mills limited, Kaduna



Figure 36: Black oil store at United Nigerian Textiles plc, Kaduna



Figure 37: The Nigerian Breweries one of the few surviving industries in Kaduna

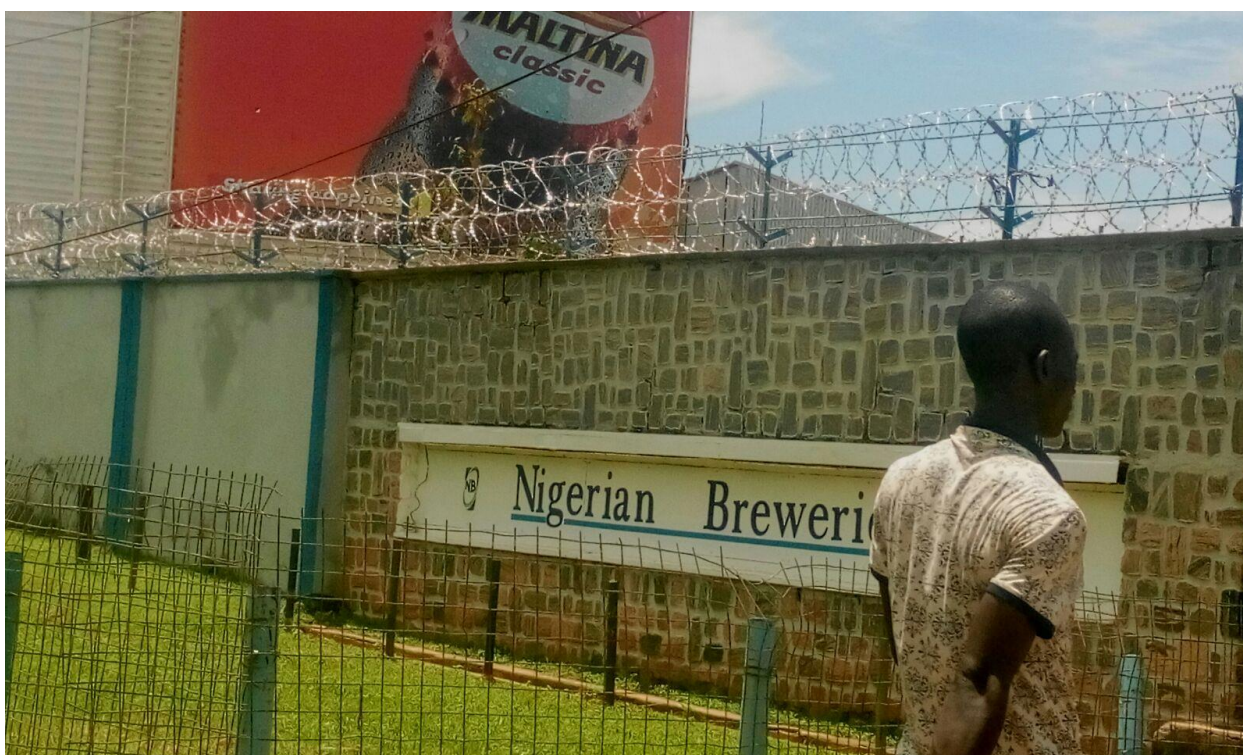


Figure 38: The Nigerian Breweries one of the few surviving industries in Kaduna



Figure 39: The reminance of Man Industries, Kaduna



Figure 40: The deserted gate of UNTL, Kaduna



Figure 41: The gate subsidiaries of UNTL



Figure 42: The gate of the Closed finetext, Kaduna