

A History of Oil Palm Production in Nigeria, 1945 - 1970

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Abstract

Oil palm production is an important economic activity in agriculture for the production of cooking oil and raw materials for soap, body cream and befool. Oil palm production in the 1950's significantly helped to boost the Nigerian economy than any other natural resources found in the region. Oil palm production had a huge impact on the development of agricultural production of palm oil for cooking and raw materials for cottage industries in Nigeria. The production of oil palm served to boost local trade and economy of the people before the discovery of crude oil that consequently led to the oil boom era in the 1970s. This seriously affected oil palm production and its expansion and development for exports to earn foreign exchange. The outbreak of the World War II and the civil war in Nigeria also hindered the production of Oil Palm. This had implication on the net foreign exchange earned from agriculture in Nigeria in the 1970s. Oil palm production reached its peak during this period and declined after the neglect in the investment on agriculture.

Keywords

History; Oil; Palm
Production



I. Introduction

Oil palm production is the process of cultivating and harvesting oil from palm trees. The fruits produced by the trees are the primary raw materials used for the production of oil for domestic and industrial usage. The production process includes planting, maintaining and harvesting the trees, extracting the oil from the fruit, and processing it into various products (Encyclopædia Britannica). Oil palm production is a major industry in many tropical countries, particularly in Southeast Asia and Africa, and it has significant economic, social, and environmental impacts (Ibid).

Oil palm is produced through a multi-stage process that involves the following steps: land preparation, planting, maintenance, harvesting, and processing. Land preparation entails clearing the land of vegetation and ploughing to loosen the soil. Oil palm trees, typically propagated from seeds or seedlings, are then planted in large monoculture plantations in tropical regions, with a spacing of about 9 meters by 9 meters in rows. Maintenance involves regular activities such as pruning, fertilization, pest control, and irrigation to ensure healthy growth and high yields (Ibid). Harvesting is done year-round, starting after 3-4 years of planting. This involves manually cutting fruit bunches from the trees or using specialized equipment, with the harvested fruit collected in large bunches and transported to processing facilities. At these facilities, the fruit is sterilized, and the oil is extracted through mechanical presses or solvent extraction methods (Poultry Site).

The crude palm oil is refined to remove impurities, enhancing its quality before packaging and distribution for use in various products. Oil palm produces a range of products that are used in various industries. The most well-known product is palm oil, which is a highly versatile oil that is used in many different applications (RSPO, 2023). Some of the main uses of oil palm produce include: Food, palm oil is used in a wide range of food products, including baked goods, snack foods, cooking oils, margarine, and chocolate. It is prized for its stability at high temperatures and long shelf life. The raw materials used for the production of cosmetics as well as other personal care products such as soaps, shampoo, lipstick, and moisturizer were derived from oil palm. It is valued for its moisturizing and emollient properties (European Parliamentary Research Service, 2020).

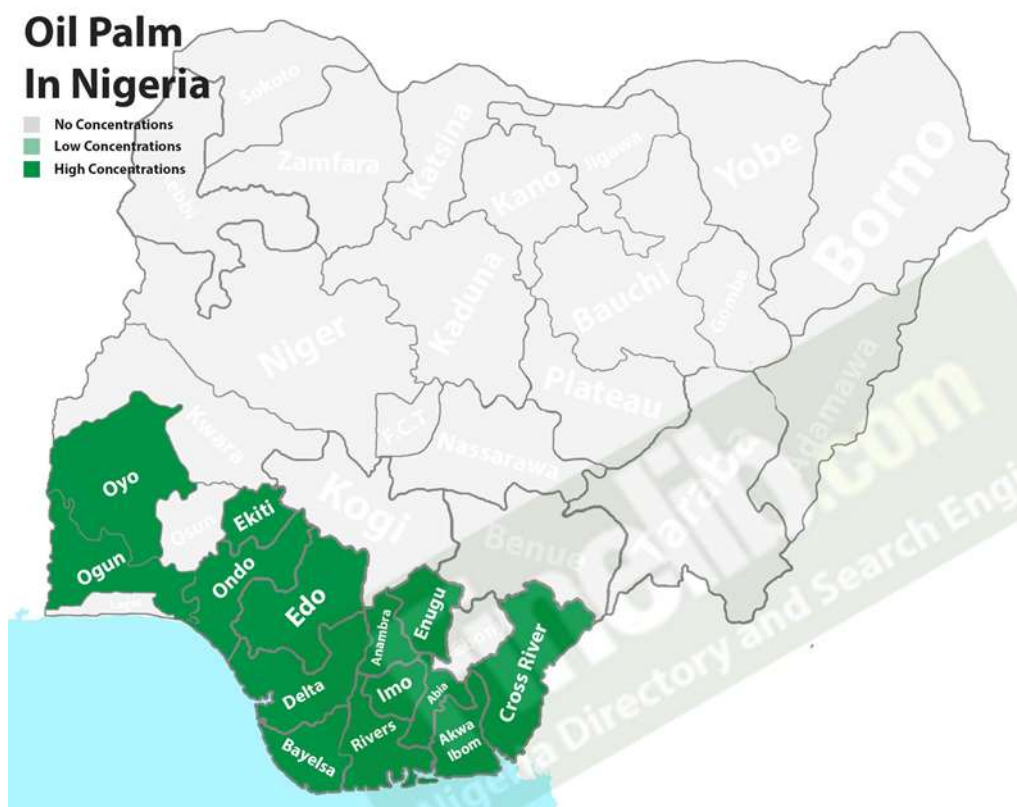
Nigeria is one of the largest producers of Oil palm in Africa. The fruits known as palm kernel is the primary raw materials for the production of Palm Oil. The major towns and cities producing oil palm in Nigeria includes AkwaIbom State, Cross River State, Delta State, Edo State, Ekiti State, Enugu State, Imo State, Ogun State, Ondo State, Oyo State and Rivers State. These states have suitable climatic conditions and fertile soil for the growth of oil palm. In addition to these states, oil palm is also grown in other parts of Nigeria, including some Northern states such as Kaduna, Kebbi, Kwara, and Niger. Although the production levels are lower when compared to those produced in the South East and South Western Regions of Nigeria (Information Cradle, n.d).

Each of these oil palm producing states in Nigeria have their specific techniques used in obtaining oil palm produce, for example in AkwaIbom State, the oil palm trees are grown using the traditional smallholder farming technique, with most of the production being done by small-scale farmers. In Cross River State, the oil palm plantation uses a combination of both traditional and modern farming techniques. The state government has also invested in large-scale oil palm plantations to increase production.

In Delta State, oil palm production is mainly carried out by smallholder farmers who use traditional farming techniques. In Edo State, oil palm plantations are largely owned and operated by large-scale commercial farmers. They use modern farming techniques and machinery to cultivate the crops. In Ogun State, oil palm cultivation is done using a combination of traditional and modern farming techniques. Smallholder farmers dominate the production, with the state government also investing in large-scale plantations (Ibid). In Rivers State, oil palm production is largely carried out by smallholder farmers who use traditional farming techniques. However, the state government is also investing in large-scale plantations to boost production. Overall, oil palm production in Nigeria involves a combination of traditional and modern techniques, with smallholder farmers being the major players in the industry (Ibid).

The period covered in this study was a milestone in the development of the history of oil palm production in Nigeria. The year 1945 marked the end of the World War II and 1970 which marked the terminal period of the study was the period that marked the oil boom era when the attention of the Federal Government of Nigeria (FGN) shifted from production of agricultural produce for exports to crude oil (Madujibeya, 1976). The year 1945 is considered significant as it witnessed events that boosted oil palm production in Nigeria. This subsequently led to the decline in agricultural produce for exports in Nigeria. Also the period saw the emergence of Nigeria as a major producer and exporter of palm oil and kernel, with Nigeria becoming the largest producer of palm oil in the world by the mid-1960s (Oyebade, 1987)

The oil palm industry was a crucial part of the Nigerian economy during this period, and its rise and fall had a significant impact on the country's economic and social development. It witnessed significant changes in the global economic and political landscape, including the emergence of new markets and the decline of traditional ones. These changes had a significant impact on the Nigerian oil palm industry, as Nigeria was heavily dependent on exports of palm oil and kernel to foreign markets (Ajayi, 1989).



II. Review of Literature

2.1 Overview of oil palm production in Nigeria

Oil palm in Nigeria is produced in large quantities to meet the domestic and international demand. Presently, Nigeria is the fifth largest producer of palm oil in the world, and the supply and distribution of oil palm within and outside the country is mainly carried out through various channels. One of which is through a network of traders and dealers (Obasi, 1977).

Their activities involve purchasing the products from processing companies and distribution to various parts of the country. The products are usually transported in trucks and other vehicles to markets, stores, and factories.

Oil palm produced in Nigeria is also exported to other countries, particularly in Europe and Asia, where it is used in the production of various products such as food, cosmetics, and biofuels. The export of oil palm is primarily handled by government agencies such as the Nigerian Export Promotion Council and private exporters, who are licensed by the government to export the product. The supply and distribution of oil palm within and outside

Nigeria is primarily carried out through a network of traders, dealers, plantation companies, and exporters, who transport the product to various markets, factories, and ports for local consumption and export to international markets (Alamu, 2018).

The origin of oil palm production in Nigeria can be traced back to ancient times. Oil palm trees (*Elaeisguineensis*) are native to West Africa, including Nigeria, and have been cultivated and utilized by local communities for centuries. Historical evidence suggests that oil palm cultivation in the region dates back to as early as the 5th century BCE. The wild oil palm trees naturally grew in the tropical rainforests of Nigeria, and the local populations discovered the various uses of the tree's fruits, including extracting oil for cooking, medicinal purposes, and making soap (Corley & Tinker, 2016).

Oil palm became the principal cargo for slave ships after abolition of the slave trade. The early nineteenth century, following the abolition of the British slave trade, witnessed the primal beginning of the palm oil exports from West Africa in a significant volume. Thereafter, palm oil was to become the quintessential commodity of the era of so called legitimate trade for large parts of West Africa. In 1807, the year of abolition of the slave trade, Britain imported 233 cwt of palm oil from West Africa, by the 1840s this figure had risen to an average of 426,087 cwt per annum (Lynn, 1997).

However, it was during the colonial period, particularly in the 1911 that commercial production of oil palm began to gain momentum in Nigeria (Nweke, 2003). The British colonial administration recognized the economic potential of oil palm which was paramount in her imperial motive of exploitation and started promoting its cultivation as a cash crop. They saw the value in exporting palm oil to meet the growing global demand. Notably, in the second half of the 19th century, with the inauguration of the industrial revolution, and the development of the technology and machineries which required palm oil as a lubricant (Lynn, 1997).

The British encouraged the establishment of oil palm plantations and introduced modern cultivation and processing techniques to increase productivity. Large-scale plantations were established, and machinery, such as hydraulic and screw presses, were used to extract the oil more efficiently. The colonial government also provided infrastructure development, research, and training programs to further promote the industry (Aghalino, 2000). The paucity of Agricultural development and precedence given to colonial products like oil palm, cocoa, cotton, and rubber, which were in demand at that given period, justifies the British colonial interest on economic matters. This shift from traditional to modern methods significantly increased the production and export of palm oil from Nigeria (Stillard, 1938).

The oil palm industry became a vital sector in Nigeria's economy, generating substantial revenue and providing employment opportunities. Small-scale farmers also continued cultivating oil palm trees on their lands, contributing to the overall production. Between 1865 and 1910, the export of palm produce doubled from West Africa as Nigeria took the lead (Ibid). By 1900, palm produce constituted 89% of Nigeria's total export. By 1911, Oil palm production in British West Africa reached 157,000 tonnes, out of which about 75 percent came from Nigeria (Helleiner, 1966).

However, this trend began to decline with the emergence and export of other products including rubber and cocoa. Nigeria's lead in the palm produce export trade was further threatened with the growth of plantations in Sumatra, Malaya, and Belgian Congo. By the 1920's, these countries have begun to export high quality palm oil. Understandably, this threat to British economic interest in the world market for palm produce was readily checked through a number of colonial policies and initiatives between 1920 and 1960. Central to these

policies was the aim of maximally exploiting the natural and human resource of Nigeria for the purpose of securing profitable trade for Britain (Odinaka & Okojie, 2016).

By the mid-20th century, Nigeria became one of the world's leading producers of palm oil. In the early 1960s, Nigeria generated about 43 per cent of the world's total production. The production satisfied local demand, and the excess was exported (Ibid). During this period, Nigeria was the largest exporter of palm oil globally and accounted for a significant share of the global palm oil market (Adewara, 2022).

Furthermore, it is important to note that the production and export of oil palm in Nigeria faced challenges in subsequent years. The country's production capacity has not kept pace with the growing global demand for palm oil, resulting in increased imports to meet domestic needs. Factors such as political instability, mismanagement, and the discovery of oil reserves shifted the country's focus and resources away from the agricultural sector, including oil palm production (Oguntade, 2018).

2.2 The Oil boom and its impact on Oil palm production in colonial Nigeria

In Nigeria, Crude Oil was reportedly first discovered in Oloibiri in Rivers State, in the Niger Delta, in 1956. Its exploration which began in the late 1950s and lasted until the early 1990s, was a period of rapid economic growth and development that was driven by the discovery and exploitation of crude oil in the country (Nnadi, 2014). During this period, Nigeria became one of the world's largest oil producers and exporters, and oil revenues accounted for a large share of the country's GDP and foreign exchange earnings. However the oil boom soon became the boon and bane for the Nigeria in its entirety, as it influenced the social, political, and environmental dynamics of Nigeria and its regions (Ojo, 2018).

Notably, it had significant consequences for the oil palm production in the country. The palm oil trade was one of the main sources of economic growth and development in West Africa in the nineteenth century, especially for Nigeria, which was the world's largest producer and exporter of palm oil until the 1960s. However, the discovery and exploitation of crude oil in Nigeria changed the economic landscape and priorities of the country, leading to a decline in the palm oil sector (Eme & Fakayode, 2013).

The oil boom generated huge revenues for the Nigerian government, which shifted its focus and investment from agriculture to oil and other sectors. This resulted in a lack of support and incentives for the palm oil farmers, who faced challenges such as low productivity, poor infrastructure, inadequate research and extension services, and competition from imported vegetable oils. The palm oil industry also suffered from a shortage of skilled labour, as many young people migrated to urban areas or oil-producing regions in search of better opportunities (Olukosi & Isola, 2006).

The oil boom also affected the external trade of palm oil, as Nigeria lost its dominant position in the global market to other countries, especially Malaysia and Indonesia, which invested heavily in improving their palm oil production and processing. Nigeria's palm oil exports declined from 43% of the global market share in 1961 to less than 2% in 1986 (Adegeye, A. and Dittoh, 2016). Nigeria also became a net importer of palm oil, as it could not meet its domestic demand, which increased due to population growth and urbanization. The imported palm oil was often cheaper and of better quality than the locally produced one, which further eroded the competitiveness of the Nigerian palm oil industry (Akinlo, & Egbetunde).

The oil boom also had negative environmental and social impacts on the oil palm production areas. The expansion of oil exploration and exploitation activities led to land

degradation, deforestation, pollution, and loss of biodiversity. The oil spills and gas flares also affected the health and livelihoods of the local communities, who depended on farming, fishing, and hunting for their survival (Falola, 2009). The oil boom also increased the income inequality and regional disparities in Nigeria, as some states benefited more from the oil revenues than others. The Niger Delta region, which was the main source of crude oil, experienced political unrest, violence, and militancy due to the perceived marginalization and exploitation by the federal government and multinational oil companies (Helleiner, 1966).

The oil boom had a detrimental effect on the oil palm production in Nigeria, which was once a thriving and prosperous sector. The decline of the palm oil industry had economic, environmental, and social implications for Nigeria's development and stability. However, in recent years, there have been some efforts by the government and private sector to revitalize the palm oil sector and restore its potential as a source of income, employment, and foreign exchange for Nigeria (Falola, T., & Heaton, 2008).

2.3 Oil palm production During the Second World War in Nigeria

Nigeria was involved in the Second World War between 1939-1945, as a British colony that supported the Allied war effort. Nigeria provided troops, resources, and funds to Britain during the war. Nigerian soldiers fought in campaigns in East Africa, North Africa, and Southeast Asia (Giacomin, 2018). Nigeria also faced social and economic changes at home as a result of the war. A resultant effect of this are the significant positive and negative impacts it had on the oil palm production in Nigeria (Hopkins, 1966).

The war disrupted the international trade and reduced the demand for palm oil exports from Nigeria. This led to a decline in the prices and profits of palm oil producers. The war also affected the availability of labour and inputs for palm oil production (Falola, 2004). Many young men were recruited into the army or engaged in other war-related activities, leaving behind women, children and the elderly to work on the farms. The war also caused shortages of fertilizers, pesticides, machinery and spare parts, which hampered the productivity and quality of palm oil. The war stimulated the domestic demand for palm oil as a source of food, fuel and raw material for various industries. Palm oil was used to make soap, margarine, candles, lubricants, explosives and other products that were essential for the war effort (Killingray, & Martin, 2020). Palm oil was also consumed as a staple food by many Nigerians, especially in the eastern and southern regions where cassava was scarce due to drought and pests (Government Policy and the Nigerian Palm Oil Export Industry, 1997).

Besides, the war encouraged the development of small-scale palm oil processing units in rural areas. These units used simple and locally available technologies such as manual presses, drums and pots to extract palm oil from fresh fruit bunches. These units provided employment and income for many rural dwellers and reduced the dependence on large-scale plantations and factories that were owned by foreign companies or the colonial government (Lynn, 2002). The war also prompted the colonial government to initiate some policies and programs to support the palm oil industry. For example, the government established the West African Institute for Oil Palm Research (WAIFOR) in 1943 to conduct research and extension on improving the cultivation and processing of oil palm. The government also introduced some subsidies, loans, price controls and marketing boards to assist the palm oil producers and processors (PwC 2019). The Second World War had a mixed impact on the oil palm production in Nigeria. It created some challenges and opportunities for the industry, which shaped its development in the post-war period (Oyinlola & Olagunju, 2019).

2.4 The Political Economy of Oil Palm Industry in Nigeria

Oil palm production in Nigeria from 1945 to 1970 was a complex interplay of multiple dynamic actors and factors at different levels. It had both positive and negative consequences for the country's economy, society, and environment (Noah, 2014). It also reflected the historical and political changes that occurred in Nigeria during this period. It broadly reflects the political, economic, and social factors that shaped the industry's development, distribution, and consumption.

The colonial and post-colonial governments had different policies and interests regarding oil palm production. They promoted smallholder production and export of palm oil and palm kernels through marketing boards and cooperatives. After independence in 1960, the Nigerian government sought to increase oil palm production and revenue by encouraging the establishment of plantations, especially in the Eastern Region, where oil palm was a major cash crop (Ibid).

However, the civil war that broke out in 1967 disrupted the oil palm industry and caused a decline in production and export. The government also faced challenges of land acquisition, labour supply, environmental impact, and community resistance in implementing its plantation schemes (Ekenta and Ajala, 2017).

Oil palm production was a significant source of income and foreign exchange for Nigeria between 1945 to 1970. Nigeria was the world's leading producer and exporter of palm oil until 1965, when it was overtaken by Malaysia. Palm oil was used for various purposes, such as cooking, soap making, candle making, lubricants, cosmetics, and margarine. Palm kernels were also processed into oil and cake for animal feed (Adejobi & Adeyemo, 2019). The demand for palm oil and palm kernels increased both domestically and internationally, especially after the Second World War. However, Nigeria faced competition from other producing countries, such as Indonesia, Ghana, Ivory Coast, and Cameroon, who had lower production costs and higher quality standards. Nigeria also suffered from fluctuations in world market prices, which affected its export earnings. The discovery of petroleum in Nigeria in the late 1950s also shifted the government's attention and resources away from agriculture to the oil sector (Abdulkareem, 2023).

Oil palm production had various social impacts on the Nigerian people from 1945 to 1970. On the one hand, it provided employment opportunities, income generation, food security, and rural development for many smallholders who depended on oil palm as their main livelihood. Oil palm also had cultural and religious significance for some ethnic groups, such as the Igbo and the Ibibio, who used it for ceremonies and rituals. On the other hand, oil palm production also caused social problems, such as land conflicts, displacement, exploitation, inequality, and environmental degradation (Akinwale, et al. 2019). The expansion of plantations often encroached on the lands and forests of local communities, who had customary rights but no legal titles to their lands. The plantation workers were often subjected to low wages, long hours, harsh conditions, and unfair labour practices by the companies or the government (Onuoha & Freedom, 2016). The women and children were particularly vulnerable to the negative effects of oil palm production, as they bore most of the burden of labour and household responsibilities while receiving less benefits and opportunities (Ekenta, & Ajala, 2017).

III. Research Method

3.1 The challenges of oil palm production in Nigeria

Since 1965 there has been a noticeable decline in her oil palm production, despite Nigeria's favourable climate and soil conditions for oil palm cultivation. By 1966, Nigeria has been relegated to a distant third position in world oil palm production. Other competing countries such as Malaysia and Indonesia became leading producers as their production surpassed Africa's total production (Hinds, 1997). The historical narrative of West Africa, the oil palm plantation stands as a defining feature, interwoven with the region's agrarian heritage. This fertile landscape has long been the stage for the cultivation of oil palms, with palm oil emerging as a significant contributor to Nigeria's export endeavours (Dada, 2007).

IV. Result and Discussion

However, a closer examination of the annals of Nigeria's palm oil industry reveals a complex narrative of ascent, decline, and the challenges that have shaped its trajectory. At the onset of the 20th century, Nigeria held a preeminent position as the world's leading exporter of palm oil, a testament to the abundance and importance of this agricultural commodity in the nation's economy (Syahadat, Mohd & Sani, 2021). It was an era marked by prosperity and promise, as palm oil played a pivotal role in foreign trade and revenue generation. Yet, as the years unfolded, this robust industry began to show signs of vulnerability. By 1969, palm oil production had plummeted to 36.4%, and this decline continued unabated, with 1974 witnessing a further dip to a mere 13.2% (Akpan, 2023). This downward spiral was perplexing, given Nigeria's historical prominence in the global palm oil market. Several interrelated factors have been identified as challenges that hindered the prosperity of oil palm industry as at this period and had ultimately contributed to its decline (Ekenta, & Ajala, 2017).

One of the significant challenges was poor agricultural policies. During the colonial period, the British administration favoured cash crops like cocoa, cotton, and groundnuts over palm oil. These crops were promoted for export to Britain, which led to limited support for the development of the oil palm industry (Izah, 2016). The colonial government imposed taxes and levies on oil palm producers, discouraging them from expanding their production. This taxation policy stifled growth and investment in the sector (Ibid). Even after Nigeria gained independence in 1960, Nigeria's palm oil policy was often influenced by political and economic interests, rather than by strategic vision and long-term planning. The government failed to implement effective policies and programs to boost the oil palm sector. This included providing subsidies, credit facilities, extension services, and research support, all of which were essential for the industry's development (Akinbola, 2017). In addition, import dependence further eroded palm oil production. The government alternated between banning and allowing the importation of palm oil, depending on the domestic supply and demand situation. This created uncertainty and instability for the local producers, who could not compete with the cheaper and better quality imported palm oil. Nigeria became increasingly dependent on imports to meet its domestic consumption, which grew rapidly due to population growth and urbanization (Okolo, Nwankwoala, Ushie, & Nwankwoala, 2019).

The discovery of crude oil in Nigeria in the late 1950s and early 1960s shifted the government's and people's attention from agriculture to the petroleum sector. The newfound oil wealth led to the neglect of the agricultural sector. As less investment and resources were

allocated to agriculture, the sector struggled to compete internationally. The oil boom also caused the Naira to appreciate, making agricultural exports less competitive (Cosiaux, et al. 2018).

The surge in oil revenue led to an increased demand for imported goods, including palm oil. This reduced the incentive for local production and further diminished the domestic palm oil industry. Despite the Nigerian Institute for Oil Palm Research (NIFOR)'s potential to produce nearly ten million sprouted seeds and seedlings annually, it struggled to achieve even 50% of this capacity due to insufficient funding (Izah, 2016).

The Nigerian civil war (1967-1970) disrupted the oil palm industry significantly. Many palm oil plantations were either destroyed or abandoned during the conflict, resulting in a substantial loss of production capacity (Akpan, 2023). The war also affected transportation and marketing of palm oil, as roads and bridges were damaged or destroyed. Trade restrictions further hampered the movement of palm oil products. A shortage of labour emerged as many workers were either recruited into the military or became casualties of the fighting. This labour shortage further impeded palm oil production (Ekenta, & Ajala, 2017).

Furthermore, oil palm production suffered from a lack of adequate and affordable financing, as banks and other financial institutions were reluctant to lend to farmers and producers access to agricultural loans. Also, the high interest rates and short repayment periods made it difficult for them to access credit. The government also did not provide enough funding for the development of the oil palm sector, such as establishing processing facilities, improving infrastructure and supporting research and innovation (Izah, 2016).

Access to funds and credit facilities for palm oil processors was limited, making it exceedingly challenging to establish processing mills and modernize the industry. Locally invented milling technology suffered from improper scaling, resulting in lower extraction rates and increased palm oil waste. This technological setback undermined the agricultural transformation agenda and the pursuit of commercial agriculture goals, significantly hampering the industry's progress (Akinbola, n.d).

Poor road infrastructure and high transportation expenses only compounded the problem, increasing the overall production costs and imposing a considerable financial burden on industry stakeholders. The inaccessibility issues stemming from NIFOR's location and distant nurseries made it difficult for smallholder farmers to access quality seedlings (Okolo, Nwankwoala, Ushie, & Nwankwoala, 2019). As a result, farmers often had no choice but to purchase contaminated and low-yield seeds at lower prices, severely impacting palm oil production, leading to declining yields, and overall industry instability. Also, smallholder oil palm farmers, who were responsible for approximately 80% of Nigeria's palm oil production, grappled with issues related to fertilizer accessibility, timing, and affordability. Smallholder farmers faced exorbitant labour costs, hindering their ability to harvest ripe bunches promptly and leading to significant wastage. Additionally, inadequate mechanization, suboptimal herbicide use, and insufficient tree management practices contributed to transportation and labour costs, straining farmers' resources (Cosiaux, et al. 2018).

The land tenure system in Nigeria posed a challenge for the expansion of oil palm production, as most land was owned by communities or families under customary law (Akinbola, n.d). This made it difficult for farmers to acquire large plots of land for plantation development. It also made it hard for them to obtain titles or leases for their land, which limited their access to credit and insurance. The land tenure system also created conflicts and disputes among landowners and users.

The expansion of palm oil plantations in Nigeria often came at the expense of natural forests and biodiversity. This led to environmental problems such as soil erosion, water pollution, deforestation, and greenhouse gas emissions. Moreover, the land tenure system in Nigeria was complex and insecure, resulting in land disputes and conflicts between the local communities and the palm oil companies. The rights and interests of the smallholder farmers, who accounted for 80% of the palm oil production in Nigeria, were often neglected or violated (Ibid).

The presence of aging palm trees and poor managerial abilities within existing plantations presented additional hurdles. A substantial portion of Nigeria's oil palm plantations consisted of aging palms, typically over thirty years old, which were categorized as less productive than their younger counterparts. Poor management, particularly within government-owned and private plantations, resulted in numerous shutdowns, leading to decreased production and economic inefficiencies(Ibid).

Furthermore, environmental concerns, such as grove destruction due to development projects, exacerbated the industry's challenges, contributing to reduced palm oil production and negatively affecting local farmers(Okolo, Nwankwoala, Ushie, & Nwankwoala, 2019). In its entirety, these challenges contributed to the decline of oil palm production in Nigeria, as well as stimulating its inability to meet the growing domestic and international demand for palm oil. Addressing these multifaceted challenges was imperative to maintain the Nigerian oil palm industry, ensuring its sustainability and meeting the country's agricultural and economic goals (Ibid). However, efforts made to resolve these challenges proved inefficient as policies regarding the efforts did not materialize to the desired target. The earlier effort was based on the National development plans between (1962 – 1968) up till 1970 did not yield appreciable revenue of trade balance for export and local consumption (Omotayo, & Fatunbi. 2017).

V. Conclusion

It has been established from the foregoing that oil palm production in Nigeria from 1945 to 1970 is a compelling historical narrative that encapsulates the dynamic interplay of economic, social, and political forces that shaped one of Nigeria's most iconic industries. This study has unveiled a vivid tapestry of triumphs and tribulations, offering profound insights into the challenges and opportunities that characterized this critical period in Nigeria's historical trajectory on oil palm production in the period covered by this study.

The impact of World War II on Nigeria's oil palm industry was a significant turning point. The war disrupted international trade, causing disruptions in the supply chain, labour shortages, and resource scarcities. It ignited domestic demand for oil palm, leading to the development of cottage processing units with little capacity for large scale production of oil palm.

Oil palm production had a high impact on the development of agricultural production of palm oil for cooking and raw materials for cottage industries in Nigeria. The production of oil palm serves to boost local trade and economy of the people before the discovery of crude oil that consequently led to the oil boom era in the 1970s.

This seriously affected oil palm production and its expansion and development for exports to earn foreign exchange. The outbreak of the World War II and the civil war in Nigeria also hindered the production of Oil Palm. This has implication on the net foreign exchange earned from agriculture in Nigeriain the 1970s. Oil palm production reach is

peaked during this period and declined after due neglect in the investment on agriculture and the history of oil palm production in Nigeria.

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