

NIGERIA

Slugging It Out Over Statehood

[AN] There was hardly time for toasting when President Shagari celebrated the second anniversary of Nigeria's return to civilian rule earlier this month. More than at any time since it took office on October 1, 1979, Shagari's National Party (NPN) administration now faces a serious challenge from opposition parties, with the 1983 election looming as a worrisome prospect for the current leadership.

Much of the contention centers on two fundamental issues: federal revenue sharing with the country's nineteen states and the clamor for new states in various parts of the nation. Both of these questions have troubled every Nigerian administration since independence in 1960, but together they pose particularly explosive problems now.

For one thing, even in

the current period of falling demand for petroleum, the country's \$17 billion in projected annual oil revenue constitutes more than a small bone of contention. And it seems likely that Shagari's handling of these matters will spell either victory or disaster for his party in the next election.

The Shagari administration spent a good deal of time and energy in the last two years devising an acceptable formula for revenue sharing. But after the government battled to a compromise in the National Assembly on its revised revenue allocation formula, Nigeria's Supreme Court scuttled the plan, on grounds that the final bargain was reached outside the Assembly and never received the formal ratification of both houses.

With some 85% of

Nigeria's revenues coming from oil exports, the oil-producing states not surprisingly lobbied for a bonus. In addition, opposition political parties controlling some state governments argued strenuously that the federal administration, by taking too large a share, was limiting the influence of the states.

After months of haggling, the Shagari administration's compromise proposal had offered to boost the allocations to states from 21% to 26.5%, cutting the federal share from 76% to 58.5%. The bill also allocated 5% to mineral producing states and 10% directly to local governments.

In the end, it was on matters of procedure that the court ruled against Shagari's legislation, but the more substantive issue of federal vs. states' rights continues to stir debate.

Chief Obafemi Awolowo, leader of the United Party (UPN), which spearheaded the campaign against Shagari's allocation bill, has charged that the government is crippling the states that have progressive, social and economic programs. Awolowo objects to both the NPN stand on revenue sharing and the recent austerity measures imposed because of falling oil production.

The government, in response, has characterized the plans of some state governments as "profligate," and "tantamount to fiscal irresponsibility."

Even while the allocation controversy rages on, Shagari's administration is becoming embroiled in debate over the creation of new states, and it has set up a commission to address the issue.

With a population of over 80 million and hundreds of ethnic groups, Nigeria has struggled with the concept of state divisions ever since the civil war fought over Biafran secession. The military government in power at that time created 12 states out of the country's three regions, and the number was later raised to 19.

But many Nigerians still feel that certain state boundaries make no sense. Shagari's Committee for the Creation of States has already received 38 petitions, bandwagons that may be fueled in part by

Shagari's campaign promise that some new states would indeed be established.

Writing in *West Africa* magazine, Dr. David Ruddell says: "The government is now presented with organized political and popular pressure on a scale that no other issue has aroused since the return to civilian rule. And, this being Nigeria, big financial interests are backing many of the movements: after all, the pickings in the form of construction supply and service contracts in the new states will be far from chicken feed."

"Ask any Nigerian which are the obvious new states," Ruddell continues, "and he will probably mention a potential new state to come out of his home state."

A number of experts, Ruddell included, believe that the most likely outcome is approval for two or three new states. As yet, however, no one can discount the possibility that Nigeria will totally rethink the criteria for statehood and carve out as many as forty.

The sensitive problem of statehood would be a vexing issue for the government in the best of times, but Shagari must tackle the issue in circumstances of volatile political tension. The NPN has lost the parliamentary alliance with the NPP that gave it a working majority — albeit slim — in the legislature.

And Shagari's critics, the UPN's Awolowo chief among them, are taking every opportunity to harass the government. One major row began with police raids on three important Nigerian newspapers and the arrests of their editors. A Lagos judge recently threw out of court the charges against the *Nigerian Tribune* and its editors. But authorities are still preparing cases against the *Daily Sketch* and *Daily Standard*, which published articles alleging that the president attempted to bribe a number of opposition legislators.

Awolowo and his allies, particularly the militant wing of the People's Redemption Party (PRP), have expressed outrage at the police action. PRP radical Balarabe Musa, the former governor of Kaduna State, accuses the government of drifting toward "fascism," and his supporters have been distributing posters bearing that inscription under a drawing of a policeman trampling a man.

Shagari has defended the police in the matter of the newspaper raids, on grounds that the papers had been publishing false and malicious stories that threatened law and order. "You can call me an idiot or even a bastard," Shagari subsequently told journalists, "but I would not tolerate anybody ques-

Relocations

(Continued from Page 17) Africa's Archipelago," *Christian Science Monitor*, September 14-18.]

Resettlement has both urban and rural components. Even though the example of the returning Cape Town squatters illustrates the difficulty of enforcing some aspects of the policy, demographic expert Dr. Charles Simkins has found that in certain respects, relocation has proved successful. Compared with other countries, South Africa is "under-urbanized" by nearly ten per cent, he estimates. One major reason is the system of influx control. Africans are required to carry passes — or in the case of "independent homelands" residents, passports — showing they have the legal right to be in a white (usually urban) area.

The 400,000 or so Africans arrested each year for pass law violations often face deportation to a rural reserve, the same fate as the residents of demolished squatter townships. In the reserves, where jobs are extremely scarce, these de-urbanized people are either left without income or become commuters, traveling for work daily to the industrialized centers.

Rural Africans are not exempt from removal either, however. According to a study for the Institute of Race Relations by Gerhard Mare, an estimated 337,000 residents of "black spots" — land in white-designated areas which had been legally acquired by blacks before African ownership was outlawed in 1913 and 1936 — have been relocated in the last three decades. With agricultural mechanization and the abolition of black tenancy on white farms in the 1960s, another 1.3 million Africans have been removed.

Although all the people forced out of white areas are destined for one of the ten ethnically-defined reserves, some already residing in those areas are being shifted as well. Mare believes that more than 300,000 persons who were in the wrong ethnic area — either because of long-standing living patterns or the frequent redrawing of boundaries by South African government planners — have been relocated, and another one million may have to move before the plan is fully implemented.



VANCOUVER B.C.—A Ku Klux Klan member stands silhouetted against a burning cross at a KKK cross burning ceremony. The cross burning took place in south Vancouver and was raided by members of the Vancouver city police who didn't make any arrests but confiscated two rifles. The burning took place after two rival Anti-Racist groups had a stick swinging riot in which a dozen people were injured earlier in the day. UPI Photo.

CONSOLIDATED REPORT OF CONDITION

Mechanics and Farmers Bank

DURHAM, RALEIGH, CHARLOTTE and WINSTON-SALEM, N. C.

In the State of North Carolina and Domestic Subsidiaries at the close of business on September 30, 1981

ASSETS

Cash and due from depository institutions	\$4,054,000.00
U.S. Treasury securities	2,293,000.00
Obligations of other U.S. Government agencies and corporations	6,718,000.00
Obligations of States and political subdivisions in the United States	4,488,000.00
Other bonds, notes, and debentures	14,000.00
Federal funds sold and securities purchased under agreements to resell	2,100,000.00
a. Loans, Total (excluding unearned income)	27,645,000.00
b. Less: allowance for possible loan losses	327,000.00
c. Loans, Net	27,318,000.00
Bank premises, furniture and fixtures, and other assets representing bank premises	2,039,000.00
Real estate owned other than bank premises	334,000.00
Other assets	690,000.00
TOTAL ASSETS	50,048,000.00

LIABILITIES

Demand deposits of individuals, partnerships, and corporations	13,688,000.00
Time and savings deposits of individuals, partnerships, and corporations	26,748,000.00
Deposits of United States Government	154,000.00
Deposits of States and political subdivisions in the United States	3,308,000.00
Certified and officers' checks	1,078,000.00
TOTAL DEPOSITS	44,976,000.00
a. (1) Total demand deposits	16,187,000.00
a. (2) Total time and savings deposits	28,789,000.00
Mortgage indebtedness and liability for capitalized leases	70,000.00
Other liabilities	506,000.00
TOTAL LIABILITIES	45,552,000.00
Subordinated notes and debentures	100,000.00

EQUITY CAPITAL

Common stock	
a. No. shares authorized	200,000
b. No. shares outstanding	142,305
(par value)	712,000.00
Surplus	2,688,000.00
Undivided profits	996,000.00
TOTAL EQUITY CAPITAL	4,396,000.00
TOTAL LIABILITIES AND EQUITY CAPITAL	50,048,000.00

MEMORANDA

Amounts outstanding as of report date:	
a. (1) Standby letters of credit, total	157,000.00
b. Time certificates of deposit in denominations of \$100,000 or more	3,054,000.00
Average for 30 calendar days (or calendar month) ending with report date:	
a. Cash and due from depository institutions	2,880,000.00
b. Federal funds sold and securities purchased under agreements to resell	3,198,000.00
c. Total loans	27,660,000.00
d. Time certificates of deposits in denominations of \$100,000 or more	2,883,000.00
e. Total deposits	43,912,000.00
h. Total assets	50,290,000.00

Total deposits to the credit of the State of North Carolina or any official thereof 3,297,621.39

I, the undersigned officer, do hereby declare that this Report of Condition (including the supporting schedules) has been prepared in conformance with the instructions issued by the Federal Deposit Insurance Corporation and is true to the best of my knowledge and belief.

Lee Johnson, Jr., Vice President/Comptroller

Directors:

J.J. Sansom, Jr.
W.J. Kennedy, III
Maceo K. Sloan

State of North Carolina, County of Durham, ss:

Sworn to and subscribed before me this 23rd day of October, 1981 and I hereby certify that I am not an officer or director of this bank.

Shelia L. McGhee, Notary Public.
My commission expires October 30, 1985.

Unwinnable

(Continued from Page 18)

analysis of technological developments. If our defense is inadequate to meet what is publicized as a great new Soviet threat, we should insist that taxes be increased for those better able to pay for the weapons being produced. If this were the case, I believe that many of those yelling for more and still more weapons would change their tune. In other words, as long as ordinary people continue to foot the bill, while a few reap big profits, the defense build-up will continue. Truly, the nuclear arms race is an unwinnable war and one for which the American taxpayer is paying dearly.

United Nations

(Continued from Page 19)

courage this policy and seek to follow the pattern of the anti-Arab Camp David deal. Peace and stability in the Middle East can be assured only through a comprehensive political settlement which would not infringe the rights of any country or people of that region. Such a settlement must envisage the withdrawal of Israeli troops from all Arab territories occupied in 1967 and the exercise of the national rights to establish their own State.

The Soviet Union consistently comes out in support of the Arabs' rights and stands for the elimination of the consequences of Israeli aggression. There is growing understanding that the path to a Middle East settlement lies through the convening of an international conference with the participation of all the parties concerned, including the Palestine Liberation Organization (PLO).

He also spoke of the non-aligned nations yet offered little sustenance for their peoples. It must be noted at the time that Secretary Haig and Foreign Minister Gromyko met afterwards in New York for talks. Little headway was made, it seems, after many hours of discussion.

But I am compelled to say thank God for those talks and may they continue. In the grasps of these two men and their States lies the destiny of this world.

Next Week: "President Moi of Kenya".

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