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# (Re)inventing development: China, infrastructure, sustainability and special economic zones in Nigeria

*Omolade Adunbi*

## Introduction

Since its transition nearly two decades ago from long years of military dictatorship to plural democracy, Nigeria has experienced substantial socio-economic change. More importantly, the volatility in the price of oil in the global marketplace, especially in the last ten years, has also meant increased tax revenues for the state budget in some years and decline in others. The state administration in Nigeria operates a centralized system in which federating state governments rely on huge oil revenues for service provision. Since the discovery of oil in 1956, the Federal Government has engaged in the practice of dispensing funds every quarter to federating states on the basis of a revenue ('sharing') allocation formula. As the commercial capital of Nigeria, Lagos State (with an estimated population of over 16 million) benefits disproportionately from such a revenue-sharing formula. However, this soon will change given the 2016 discovery of oil in the Badagry area of Lagos that launched Lagos into the group of oil-producing Nigerian states. Although Lagos benefits disproportionately from the revenue-sharing formula of the Federal Government, its proximity to the coastal areas of Nigeria, as well as its position as the commercial hub of West Africa, positions the state as a site for many commercial interests. Ogun State, which shares a border with Lagos, enjoys the same benefits because of its proximity to Lagos as well as its access to Lagos ports. The challenges of infrastructural development face Nigeria as a whole and these two states – Lagos and Ogun – in particular. The many years of oil revenue mismanagement have resulted in infrastructural deficits for the country in general and the states of Lagos and Ogun in particular (Adunbi 2015; Apter 2005; Watts 2004b). However, in recent times, the governments of Lagos and Ogun states have embarked on huge revenue-generating infrastructural projects aimed at making the states financially self-sufficient so that they do not have to depend on handouts from the Federal Government (Adunbi 2015; Brautigam and Xiaoyang 2014; Lin and Wang 2014).

In an effort to become financially self-sufficient, key stakeholders in Lagos and Ogun states have initiated new infrastructural development projects, including the establishment of partnerships with foreign and local corporate investors, in order to create new revenue streams. For close to a decade, an elite growth coalition comprised of various international corporations, including the China–Africa

**Omolade Adunbi** is an anthropologist and an Associate Professor at the Department of Afroamerican and African Studies (DAAS) and Program in the Environment (Pite) at the University of Michigan, Ann Arbor. His current research explores the growing interest of China in Africa's natural resources and its interrelatedness to infrastructural projects, artisanal refineries and special economic zones. His book *Oil Wealth and Insurgency in Nigeria* (Indiana University Press, 2015) won the Amaury Talbot book award. Email: oadunbi@umich.edu

Lekki Investment Ltd, the Zhongfu International Investments (Nig.) FZE, the (Nigerian-based) Dangote Group and various multinational oil extraction companies, have teamed up with the governments of Lagos and Ogun states to construct two major industrial projects: the Lekki Free Trade Zone (LFTZ) and the Ogun–Guangdong Free Trade Zone (OGFTZ). The purpose behind the zones is to transform Lagos and Ogun states into the primary hub of manufacturing not only in West Africa but also in the entire sub-Saharan African region and to scale up the infrastructure of both states in ways that could attract more foreign direct investments. The LFTZ and the OGFTZ have been deliberately designed to epitomize the vision of Greater Lagos and Ogun as world-class tourist and business destinations, following the model of Shenzhen, Pudong and other Chinese special economic zones (SEZs). The majority shareholders of both zones are Chinese companies.

These large-scale projects are spatially located in the Ibeju-Lekki area of Lagos and the Igbesa area of Ogun State. The LFTZ and the OGFTZ are manufacturing and oil-processing and refining sites established by a business partnership between a Chinese consortium and the governments of Lagos and Ogun states. Both of these emergent industrial and oil-processing and refining spaces have their own rich history that predates the formation of the nation state of Nigeria. On one side, Lekki is comprised of diverse communities within the Yoruba ethnic group who have different histories of migration and land ownership. On the other, Igbesa, a sleepy community in Ogun State about ten miles from the Lagos seaport, comprises a community that also claims membership in the Yoruba ethnic group, but, unlike Lekki communities, shares the same history of land ownership. The Lagos project sits astride the Atlantic Ocean, which for many centuries has served as a cultural icon and commercial hub for those who live in the surrounding areas. The Igbesa project stands in close proximity to an old industrial hub – Agbara industrial estate – a private industrial estate established by a businessman, Chief Adeyemi Lawson, that was later acquired by the Ogun State government in 1976. Chief Lawson had wanted to create an industrial and residential estate that was very close to Lagos and also accessible to countries such as the Republic of Benin, Togo and Ghana in the West African sub-region. The proximity of Agbara town to Badagry, the border town, and to Cotonou in the Republic of Benin made economic sense considering that the Economic Community of West African States (ECOWAS) had been introduced in 1973 to facilitate easy business access for West Africans. The industrial estate thrived for a while until it was devastated by the economic liberalization policies of the 1980s and 1990s that saw the introduction of structural adjustment programmes. While Agbara industrial estate was thriving, the Igbesa community prospered in its farming activities while also providing needed support services to those who worked in the industrial estate. Thus, it was not surprising when the Ogun State government, in collaboration with a Chinese consortium, decided to locate a free trade zone in Igbesa as a way of building infrastructure and gaining new revenue streams.

The location of the LFTZ and OGFTZ projects within these communities has resulted in the mass displacement of people from their livelihoods and homes. While these projects are economically beneficial to the respective states that partner these multinational corporations, the projects have produced different outcomes for different communities. These outcomes include the construction of an oil refinery, the clearing of burial sites to make way for infrastructural projects, the shipping of refined oil intended mostly for the international market, and the dredging of the Atlantic Ocean in order to build a seaport to serve as a transit point for manufactured goods. The costs of these consequences to communities range from environmental degradation as a result of the construction of oil refineries and industrial waste from manufacturing outfits within the zones to the displacement of populations from their livelihoods and the destruction of ancestral sites including places of worship and important ritual spaces.

Based on interviews and participant observations conducted over a three-year period, I investigate how differing notions of land ownership circulate within communities affected by the OGFTZ and LFTZ in Igbesa and Lekki respectively. Living in these communities in the summers of 2015, 2016 and 2017 gave me an insight into the daily lived experiences of community members and business leaders in the zones and in the states of Lagos and Ogun. I also gained an insight into how the communities interact with business leaders and the state in making claims to ownership of land and resources. Therefore, the focus of this article is to examine critically how Chinese state-run business consortiums and developers are collaborating with state-run enterprises in Nigeria in using FTZs as a benchmark for industrial and infrastructural development on the one hand and the creation of a revenue stream on the other. For example, how have the new regulatory regimes associated with the FTZ model enabled the private owners of these two sites to disengage from public oversight and establish new rules and regulatory practices for the spaces carved out as FTZs? What role have agencies at both the state and national level played in shaping systems that redefine citizenship and expatriate practices within enclaves of extraction? How is it that indigenous populations, who fear displacement from their living spaces and socio-economic livelihoods, have begun to utilize claims to ancestral land ownership as symbolic expressions of cultural meanings and belonging that run counter to the property regimes associated with the OGFTZ and LFTZ projects? Fearing displacement from their homes and livelihoods, how are Igbesa and Lekki communities utilizing ancestral land claims to contest the erasure of their history and practices? Local indigenous communities have a rich history of ancestral land ownership and ritual practices that long predate the postcolonial state, hence their challenge to new forms of ownership instituted by the state in these zones. Therefore, this article attempts to interrogate the interconnection between oil regimes and infrastructural and industrial development as a way to think about structures of power and belonging. I examine three interrelated issues – infrastructure, displacement and belonging – with particular emphasis on the FTZ as a form of huge infrastructural and industrial development that displaces and creates vulnerability in an otherwise impervious population.

## Free trade zones and the neoliberal moment

In the late 1980s and early 1990s, many African countries, especially Nigeria, witnessed an upsurge in both economic and political crises. The collapse of the former Soviet Union and the emergence of a new world political and economic order – coupled with a collapse in the prices of commodities on the international market – brought about a need for economic and political reform in many

African countries (Adunbi 2015; Chalfin 2010; Van de Walle 2001; Reno 1999). The oil collapse of the mid- and late 1980s dramatically affected the economy of Nigeria. Consequently, Nigeria had to grapple with a changing economic system, a rising debt profile, political instability as a result of incessant military coups, collapse of the industrial sector, high unemployment, and a failing infrastructure (Adunbi 2015; Renne 2015; Apter 2005; Watts 2004a; 2004b). These political and economic crises forced a particular form of change in Nigeria's political systems and economy, shaped by the application of neoliberal economic policies that centred on the implementation of structural adjustment programmes (SAPs) and their consequences for governance. As a result, debates on the efficacy of SAPs for reforming African states dominated intellectual discourse in the 1980s and 1990s (see, for example, Ferguson 2011; 2006; Van de Walle 2001; Gibbon 1992; Young 1991). An SAP, argued its proponents, would make governance much more efficient by shrinking the government and empowering the private sector through privatization and commercialization programmes. To its opponents, SAPs would further entrench a prebendal state (Joseph 1987; 1996; Roitman 2004; Chalfin 2010) that would be detrimental to the general population. More importantly, SAPs, an initiative of international financial institutions, advocated for a more business-centred approach to the privatization and commercialization of businesses, enterprises and corporations owned by the government, such as in Nigeria.

One of the cardinal principles of SAPs was the promotion of foreign direct investments as a way to revamp the economy (Adunbi 2015; Renne 2015; Stein 2013). Advocates argued that, in order to attract foreign direct investments to a suffering economy, there had to be the establishment of an investment climate to create a pool of cheap labour, a devalued currency, easy business registration, improvements in infrastructure and the promotion of SEZs in which tax holidays could be granted to foreign businesses. Thus, in the 1980s and 1990s, attempts were made by successive regimes to start free export processing zones (EPZs) as a component of the SAP in Nigeria. The first FTZ, known as the Calabar Free Trade Zone, was established in Calabar in 1989. However, to formalize the EPZ arrangement, the administration of General Ibrahim Babangida signed a decree in 1992 that proclaimed the Nigerian Export Processing Zones Authority as an institution with the power to grant licences to foreign businesses interested in establishing a manufacturing/business outfit in Nigeria.

The decree states:

> (1) The President, Commander-in-Chief of the Armed Forces may, from time to time by order, upon the recommendation of the Nigeria Export Processing Zones Authority established under this Decree, designate such area as he thinks fit to be an export processing zone, (in this Decree referred to as 'a Zone'). (2) The Zone established pursuant to subsection (1) of this section, may be operated and managed by a public, private or a combination of public and private entity under the supervision of and with the approval of Nigeria Export Processing Zones Authority established by section 2 of this Decree.[1]

[1]Section 1, subsections 1–2, of Decree no. 63, the Nigerian Export Processing Zones Act 1992.

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Following this decree, another law was promulgated in 1996: Decree no. 8, Oil and Gas Export Free Zone. This established the parameters for specialized oil and gas free trading zones in Nigeria. Consequently, the first oil and gas export free zone was established in Onne in Rivers State in the Niger Delta, while a second was established by the new civilian administration of President Olusegun Obasanjo in 2003 in Olokola, Ondo State, a few miles from Lagos. The consequences of neoliberal economic policies were to continue with the transition to civil rule in 1999 after many years of military dictatorship. The new administration of former military leader General Olusegun Obasanjo continued with an SAP under a new economic liberalization policy that put foreign direct investment and the establishment of FTZs at its core. The results that followed the new policy included the growth of FTZs in Nigeria from a mere single trade zone in 1989 to the present total of over thirty zones in 2018, with more to come.[2] Thus, neoliberal moments in Nigeria reshaped the meaning of economic policies and foreign direct investments in ways that prioritize oil and manufacturing. Neoliberal economic and political practices thus produce a form of transnational collaboration that is not just about multinational corporations but also involves collaborative economic approaches among states. Such collaborative economic practices tend to fuse industrial development with the construction of infrastructure as the benchmark for such development. One example is the establishment of the LFTZ and OGFTZ in Igbesa and Lagos respectively, by different Chinese consortiums or organizations in partnership with the governments of Ogun and Lagos in the south-west of Nigeria.

## Lekki Free Trade Zone: of political zones and economic dominance

Nigeria established formal diplomatic ties with China in February 1971, and, since that time, economic ties between the two countries have continued to grow. However, the last decade has witnessed an astronomical rise in Chinese investments in Nigeria; today, there are over 30,000 Chinese people and over US$2billion in investments (Lawanson and Agunbiade 2018; Harry 2016; Lin and Wang 2014; Brautigam 2003).[3] Nowhere is this relationship more pronounced than in Lagos, the commercial capital of Nigeria. One investment is the establishment of the LFTZ, a collaboration between China and the government of Lagos State. The LFTZ is 'a 16,500-hectare area, about 60 kilometres east of central Lagos', and a multibillion-dollar joint venture between Lagos State government and other private and public entities (Mthembu-Salter 2009: 2). Work on the LFTZ began in 2006, 'but progress in implementation has been uneven and slow' (*ibid.*: 1). The China Civil Engineering Company is the largest shareholder with a 60 per cent stake in the project, while the Lagos State government and Nigerian partner Lekki Worldwide Investments Limited (LWIL) split the remaining 40 per cent with the Lekki Free Zone Development Corporation (LFZDC).

[2]See 'Free zones' on the Nigeria Export Processing Zones Authority (NEPZA) website: <http://www.nepza.gov.ng/freezones.asp>, accessed 22 October 2017.
[3]For more on this, see, for example, <http://ng.china-embassy.org/eng/zngx/cne/t142490.htm>, accessed 22 November 2016.

Touted as the 'best place to invest your money', the project's vision, as stated on its website, is to 'engage directly in the economic development of Nigeria by providing a choice for investors in the most conducive free zone business environment that will be recognized for setting standards of excellence'.[4] This notion of having the 'most conducive' atmosphere for business is embedded in the ideology of the market economy and rooted in neoliberal ideas of fiscal government. By suggesting to investors that the LFTZ provides the best place to invest their money, it calls attention to the unlimited possibilities that the zone provides. These possibilities include the investor's ability to repatriate their profits without having to pay taxes to the many layers of government in Nigeria, unlimited access to cheap and skilled labour, access to rent-free land, and a guaranteed 100 per cent foreign ownership of business enterprises within the zone. All of the listed characteristics define FTZs in Nigeria and elsewhere.

Among advocates of FTZs, it is believed that such zones help improve infrastructure and the business climate, resulting in an increase in technology transfer and leading eventually to overall benefits to the host country and the communities where such zones are established. The Chinese model – which first came into force in 1988 and has always been seen as the exemplar of trade zones – saw the creation of several SEZs that employed more flexible economic policies and government measures in order to foster growth and foreign direct investment within those areas. It is this model that the conceptualizers of the LFTZ had in mind when the zone was established. For example, Mr Jawando, the chair of the LFZDC, was quoted in *World Finance* on 4 September 2014 as saying, 'Nigeria is pivotal in West Africa, and other countries are dependent on our industries and exports. Lekki will facilitate this and strengthen our links within the region' (Kilhof 2014). Strengthening links within the region, as Jawando mentioned, is a way to assert the dominance of Nigeria within West Africa in particular and in sub-Saharan Africa in general. It is expected that such dominance will culminate in creating a market for Nigeria's oil and gas and other manufactured products in all the FTZs in the country. The potential markets would provide opportunities, they say, for Nigerians and their patrons to make choices that would be beneficial to them: choices of job opportunities, choices of economic possibilities for the state, and choices of technological advancement. Thus, the trade zone becomes a coveted object for the state and its Chinese partners while also something to be despised by those displaced from their land and livelihoods. As we are reminded by Jean Baudrillard:

> No object is proposed to the consumer as a single variety. We may not be granted the material means to buy it, but what our industrial society always offers us 'a priori', as a kind of collective grace and as the mark of a formal freedom, is choice. This availability of the object is the foundation of 'personalization': only if the buyer is offered a whole range of choices can he transcend the strict necessity of his purchase and commit himself personally to something beyond it. Indeed, we no longer even have the option of not choosing, of buying an object on the sole grounds of its utility, for no object

[4]See 'Our vision' on the LFZDC website: <http://lfzdc.org/about-us>, accessed 22 October 2017.

> these days is offered for sale on such a 'zero-level' basis. Our freedom to choose causes us to participate in a cultural system willy-nilly. (Baudrillard 1996: 151)

In this case, the state's freedom to choose where to site trade zones and who to partner with in constructing and configuring them impedes the ability of others – particularly community members – to make such choices in preserving their ancestral heritage, livelihood and land. While the LFTZ presents an opportunity for Nigeria and the Lagos State government to increase their revenue base, rebuild failing infrastructure and shape a new form of economic dominance in West Africa and beyond, missing in this narrative is how many communities – whose land and livelihoods depend on the areas marked for economic zones – have been faced with the choice of protesting against the state and the developers before being displaced.

## 'Our ancestors gave this land and resources for us'

Many communities that live around the LFTZ belong to the Yoruba-speaking ethnic group of the south-western part of Nigeria. As many scholars have written (see, for example, Apter 1992; Ajayi and Smith 1964; Biobaku 1973; Atanda 1980), the Yoruba have a common ancestral heritage that traces its emergence to Ile-Ife, a city considered to be the cradle of civilization (Olupona 2000; Apter 1992; Atanda 1980). Thus, many communities within the trade zone trace their origin to Ile-Ife, from where their forefathers are said to have migrated. The journey from Ile-Ife and other Yoruba towns such as Ijebu-Ode – which is a few miles from Lagos – marked the beginning of a life of fishing, farming and brewing for many members of the community that continues to this day. Agricultural practice in these communities is highly dependent on the Atlantic Ocean as well as on the surrounding land, which, many of the communities claim, was bequeathed to them by their ancestors. Thus, ancestral claims to the ownership of land and other natural resources are often marked by the ability of community members to trace their heritage to the beginning of settlement in any particular location; this is exactly what members of the different communities in Lekki and Igbesa have done (Adunbi 2015). This ancestral claim helps galvanize community property ownership in the face of opposition or incursion from outsiders: in this case, the various governmental agencies and their Chinese partners. This is the argument made by the LFTZ communities who are staking claims to ownership of the area marked for development as an FTZ by the state.

In an attempt to reclaim what they believe are their ancestral lands and resources, many communities within the LFTZ are collaborating, through their organization the Lekki Coastal Area Community Development Association (LCACDA), with a non-governmental organization (NGO): the Social and Economic Rights Action Centre (SERAC). SERAC, whose headquarters are in Lagos, has been collaborating with the LCACDA since 2006, according to many informants. In the summer of 2016, I visited several communities within the LFTZ and interacted with members of the LCACDA in Ibeju-Lekki. I also visited the offices of SERAC in the Magodo area of mainland Lagos, where I also met many of SERAC's officials involved with the LCACDA. In one of several interactions, Emmanuel, one of SERAC's attorneys, told me:

> Our intervention started as far back as 2006, when the Lagos State government wanted to forcefully acquire the land and throw the entire community out of the place they have known as home for hundreds of years. It was a serious battle, never an easy task. Fortunately, the government yielded to our advice that they should sign a memorandum of understanding with the communities after many years of engaging with the state.[5]

The Lagos State governor at the time, Bola Ahmed Tinubu, had initiated the LFTZ in collaboration with a Chinese consortium as his own way of 'taking Lagos to a new height', said Emmanuel. SERAC's intervention was precipitated by Bola Ahmed Tinubu's attempt to forcefully take over land that belonged to about twenty-six autonomous communities in the Ibeju-Lekki area of Lagos to make way for the FTZ; the communities included Idashon, Okunraye, Idokun Itoke, Ilege, Ilekuru, Imobido, Magbonsegun and Tiye. SERAC intervened and asked the government to give due compensation to the communities. As Emmanuel narrated to me in the summer of 2015 in his SERAC office:

> They thought we were antagonistic at first. We had to visit the communities and had to sensitize them, educate them on what the government says is accrued to them. And it yielded positive result [*sic*]. It continued till the ground-breaking period in 2006. Along the line, the state government wanted to renege on their promises and the people would cry to us. The government promised the communities job opportunities within the trade zone, 10 per cent equity share, make one of them the director within the trade zone, and give them land. We came up with a robust MOU [memorandum of understanding]. It was done in collaboration with the Ministry of Land and that of Justice. The then Attorney General of the state assisted and there was an agreement between the communities, Lagos State government, and the free zone.

The antagonism mentioned by Emmanuel stemmed from the lack of trust that many members of the communities felt towards NGOs. As one informant told me: 'Some of these NGOs cannot be trusted. We cannot trust them because they sometimes collaborate with the government. We will rather stay and fight on our own than be deceived by an NGO – they will go behind our back to stab us.'[6] While many members of the LCACDA went along with SERAC in negotiating with the Lagos State government, members of the Idasho community opted out. Not only did the Idasho community opt out of the negotiations, but they also discontinued their membership in the LCACDA by forming their own Idasho Community Development Association (ICDA). The secretary of the ICDA mentioned that SERAC was becoming too 'cosy' with the Lagos State government and they thought the ICDA's interests would not be best represented by such an NGO. As it turned out, the executive director of SERAC, Felix Morka, later joined the ruling All Progressive Congress (APC) – the party in power in Lagos – and declared his interest in running for office in Delta State. In an interview in the summer of 2017, an official of SERAC mentioned how Morka's political interest was never a factor in how he helped the communities negotiate an MOU with the Lagos State government.

[5]Interview conducted at the offices of SERAC, Lagos, 20 June 2016.
[6]Interview conducted in Idasho, one of the communities in the LFTZ, 27 July 2016.

Thus, SERAC helped negotiate an MOU between the Lagos State government, officials of the LFTZ, and the twenty-six communities. Even though the MOU promised a 10 per cent stake in the LFTZ for the communities, this and other components of the memorandum were never implemented. Indeed, according to my interview with an official of the LFTZ, the Lagos State government is supposedly holding a stake of about 20 per cent on behalf of the communities.

The MOU was comprehensive and touched on issues of employment opportunities for community members, compensation for the acquisition of land, and business or contract opportunities. Specifically, the MOU promised to make available about 750 plots of land to the communities. However, although the plots were released, community members could not take physical possession because the land belonged to other communities that were not part of the MOU – they had opted out for reasons ranging from the insincerity of the government and a lack of trust in SERAC to the feeling that they did not want their community life to be disrupted. Consequently, nothing really substantial has taken place in terms of compensation for the takeover of community land in the area. By virtue of the Land Use Act of 1973, all land and natural resources belong to the government, but people hold on to communal land through a tenure system. Hence, these conflicting claims have often warranted the state forcefully taking land and forcing people from their livelihoods and communal living arrangements. In the process, ancestral shrines, ancestral cemeteries and other valuable community holdings are affected. One such example is the impending displacement of Veronica[7] from her small palm oil-processing business right behind the LFTZ.

Veronica is in her mid-thirties and lives with her family of five children and her husband. She has been living in the same hut since she was five years old and shares the compound with her parents, whose hut is adjacent to hers and her husband's. Right in front of the hut is her grandfather's gravesite, a small fireplace used for processing palm oil, and a pile of large cartons used for packaging the palm oil. In the surrounding areas are the palm trees that Veronica uses in making palm oil. Veronica's father is the current chief priest and custodian of the community's traditions. The chief priest oversees some of the shrines located a few metres away from the compound, which are marked to denote the steps their ancestors took to get to their present abode. Therefore, the small compound sits in a triangle consisting of the small business that sustains the family, their sites of ancestral worship, and a space of community living. As I sat down with Veronica for an interview in July 2016, she put her right hand on her chin, gazed at her grandfather's grave, looked at the small amount of palm oil that she had just finished making that afternoon, and gave a long sigh. She then retorted: 'What will happen to my grandfather's gravesite? What will happen to all these palm trees, my business and my heritage?'[8] As Veronica pondered these questions, she looked back and saw the huge fence of the LFTZ behind her and suggested to me that very soon 'they [the LFTZ] would come with their bulldozers to clear the entire area without thinking twice about my livelihood, my community and the future of my children and extended family.

[7]Not her real name. I met Veronica at her palm oil-processing hut in summer 2016.
[8]Interview conducted in the LFTZ, 15 July 2016.

Where will I go and what will I do?'[9] Veronica's worries are not unfounded. In 2014, the then governor of Lagos State, Babatunde Fashola, took the businessman Alhaji Aliko Dangote to meet with several Ibeju-Lekki community members to inform them of Dangote's intention to build an oil refinery as part of the LFTZ development project in the area. At the meeting, Fashola, who spoke in Yoruba, asked if the community wanted the refinery or not and if the community wanted the businessman to take the refinery to another state. Many community members had feared a loss of livelihood, but the governor responded by threatening that they would all be displaced by force and that, if there was any protest, it would be crushed with force.[10] At the end of Fashola's speech, many community members showed discontent, but they also understood that the state would carry out its threat. This was exactly Veronica's worry, and as we sat down to chat that hot summer afternoon in July 2016, she pointed to many of her community members who had already been displaced to make way for the construction of the oil refinery and other businesses within the LFTZ. When asked about the MOU, Veronica responded by suggesting that it was not just about the MOU, but also about how her livelihood and all that she had known would disappear. For Veronica, there seemed to be a sense of emptiness, even with the promise of rapid infrastructural development and industrialization by the management of the LFTZ and the state.

While Veronica is concerned with the loss of her livelihood and the grave of her grandfather, Korede,[11] a twenty-five-year-old fisherman, is much more interested in the effects of the dredging of the Atlantic Ocean on his small fishing business. To allow the construction of a seaport and an oil refinery in the FTZ, the Dangote Petrochemical and Oil Company is dredging the Atlantic Ocean. In October 2015, Korede and other youths in the Ibeju-Lekki area organized a protest against the FTZ; this led to the death of an executive of the LFTZ, and the state's response was to deploy troops to the area. The fracas that followed the deployment of troops resulted in the deaths of some community members and the destruction of properties in the area as well as the arrest and detainment of many of the youths who were alleged to have participated in the protest. When I met Korede in the summer of 2017, he relived his experience at the hands of the police, suggesting that he nearly lost his life. As he said:

> We had gathered to protest the loss of our land and livelihood in a peaceful way. We were more than 300 gathered in the Idasho community and people had come from communities such as Tiye, Ilekuru, Magbonsegun and Ilubere to protest this injustice. Suddenly, the police came and fired tear gas into the crowd.

Korede claimed that he was lucky to have escaped arrest but he is worried that he may not be able to practise his trade again – fishing. When asked about the MOU, Korede's response corroborated the responses of many informants, which is that FTZs, framed as part of the state's infrastructural and industrial development,

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[9] *Ibid.*

[10] See, for example, 'Governor Fashola threatens residents of Ibeju-Lekki over location of refinery', Sahara TV, 27 February 2014 <https://www.youtube.com/watch?v=xo4jCXuMCrk>, accessed 25 November 2016.

[11] Fakorede is not the subject's real name.

will eventually result in the loss of livelihoods and the life that they have grown used to. Many feared that the oil refining within the FTZ would replicate many of the challenges of resource extraction in the Niger Delta, including polluted water and a devastated environment.

Thus, MOUs have become a standard-bearer for the ways in which corporations – particularly those in the business of oil extraction – engage with communities that are the host to these businesses (Adunbi 2015; 2013; Watts 2004a; 2004b). In many instances, the signing of MOUs with communities where resources are extracted serves the purpose of making promises that are never fulfilled, even though community members also recognize the futility of an MOU. One fact recognized by many informants is that MOUs are unable to address many of the challenges they face – loss of livelihood, displacement from their community and devastation of their environment and ancestral land and resources, which corporations tend to take away from them. The lack of access and the experiences of displacement that communities have always known are what shape their relationship with businesses and the state – and, in this case, with the management of the FTZs. The state and big businesses always frame their response to community development through the notion of rapid construction of infrastructure, industrialization and development. Thus, development and industrialization become a 'one size fits all' approach. As Arturo Escobar once reminded us, the field of development economics is based entirely on the development trajectory of the West, meaning that 'modernity … remains primarily a European experience that has sought to become universal' (Escobar 1988: 438). While China does not claim to model its practices on those of the West, it has become clear that Chinese development – through the establishment of economic zones – is modelled on a particular form of development practice that portrays rural dwellers, at least in Escobar's telling, as underdeveloped and in need of change and industrialization. Hence, China and Nigeria subscribe wholeheartedly to the pursuit of economic expansion at the expense of communities' loss of livelihood and ancestral practices. In the case of Veronica and the members of her community, economy as an object disenfranchises the population. The trade zones are legitimized as an answer to what the state sees as a need for rapid industrialization and development as a gateway to modernization. Therefore, economy as an object replaces economy as a practice that caters to the needs of the entire population.

## 'This place is not Nigeria': FTZs and the construction of the sovereign

The notion of FTZs not being Nigeria first appeared in one of the conversations I had with Nigerian workers in the zones in the summer of 2016. We had gathered at a lunch table in one of the restaurants inside the area that was demarcated for some of the Nigerian staff of the OGFTZ in Igbesa, when suddenly one of my informants uttered the phrase 'This place is not Nigeria'. I became curious to know why such a statement is important not just to this informant but to others I came across in the FTZs. The concept of a place not being Nigeria emanated from the idea of who is an 'expatriate' and who is not. An expatriate is considered to be a highly knowledgeable émigré who is hired by an employer from another country – mostly in the West – to use his knowledge at a workplace in a country considered to be 'underdeveloped'. As such, in Nigeria, expatriates are highly regarded by many of the people whom I interviewed. Thus, since FTZs are considered to be sovereign enclaves where the state selectively cedes part of its sovereignty – especially its sovereignty over business registration, taxes, labour laws and other regulatory practices – those who work in the zone consider themselves part of a new sovereign state. The ceding of part of the state's sovereignty to an enclave fits into the shifting meaning of the economy from a system of social practice and relations to an object that is determined by numbers.

As Timothy Mitchell claims, there has been a shift in the meaning of 'economy' since the nineteenth century from a system embedded in wider social relations to an object that refers to a 'self-contained structure or totality of relations of production, distribution and consumption of goods and services within a geographical space' (2011: 125). This shift means that 'economy' has become 'an object whose management [is] the central task of government, requiring the deployment of specialist knowledge' (*ibid.*) – a form of specialist knowledge that, in this case, is imbued only in the managers of FTZs and their state collaborators. In Nigeria, the abundance of oil resources automatically translates to the potentialities of oil revenue, which in turn shape the development practices that give rise to the establishment of economic zones that mediate human interactions. The state's discussion of the leveraging of oil revenue – an invisible object in itself – through other technological objects such as FTZs and oil refineries offers an avenue for us to understand how oil mediates political and business interactions in countries such as Nigeria. These neoliberal affordances shape the practices that allow designated areas of the country – FTZs – to become their own sovereignty, hence informants' repeated notion that 'this place is not Nigeria'.

The question is: what makes this place 'not Nigeria'? The answer is the specific practices that distinguish trade zones from the rest of the country. For example, the Corporate Affairs Commission registers all limited liability and other business enterprises in Nigeria, with the exception of the FTZs, where enterprises are regulated and registered through the offices of the Nigeria Export Processing Zones Authority (NEPZA). As one informant told me: 'The free zone is like a mini-city. It is considered not to be part of Lagos or Ogun. Once you are in the free zone, you are out of Nigeria because this place is not part of Nigeria.'[12] The FTZ has three major areas: living quarters, a manufacturing zone, and the oil and gas sector. All members of staff are expected to live within the zone but not all the staff quarters have been completed, so many Nigerians live outside the zone, although the FTZ provides all amenities. Although many parts of the LFTZ and OGFTZ are still under construction, some companies are already operating within the zone. The zones, especially the OGFTZ, parade their replicas of a functioning police force and other disciplinary apparatuses of the state. The regular state apparatus is confined to the entrance of the zone in both the LFTZ and the OGFTZ. In the OGFTZ, the commander of the police is a Chinese official who is assisted by Nigerian officers. While the Nigerian police, customs and immigration officials are positioned in offices at the entrance of the FTZs, within the zones the exercise of power lies with the officials of the FTZs. The presence of Nigerian officials is mainly symbolic because the FTZs have their own regulatory practices, hence the feeling among many informants that living or working inside

[12]Interviews conducted at the LFTZ and OGFTZ between 20 June and 15 July 2016.

the zone is like being outside Nigeria. FTZs are constructed as autonomous zones that are independent of the state through the zones' regulatory practices. These zones operate in ways that resonate with what Trouillot (2003) calls 'the state-effects'. 'State-effects' indicate the use of state mechanisms of control and rule; in the FTZs, the setting up of their own security departments, proposed offshore banking operations, customs departments, and their ability to engage in business transactions and other self-regulatory practices outside the purview of the state are a clear indication of how such practices create what I call the effect of a state within the state.

Thus, the organization of the FTZ, particularly its workforce and regulatory practices, projects a neoliberal notion of freedom while at the same time extenuating a new moment of colonial practices in the postcolony in ways that resonate with Jauch's (2011) important question about twenty-first-century colonialism, in which he likens Chinese investments in Africa to a new moment in colonialism. For example, all workers, as I was informed and observed while there, are considered to be 'expatriates'. The notion of 'expatriates' suggests that the workforce is foreign, and, since the space of the FTZ is also considered foreign, the tag 'expatriates' seems to project a notion of sovereignty within a sovereign nation. While all workers are considered to be expatriates, there are also different categories of expatriates within the zone. For instance, Nigerian expatriates are mostly subservient to Chinese expatriates in deeds and practice. Living quarters for Chinese expatriates, who are mostly senior or management staff, are in an exclusive part of the zone with a better layout and better amenities than those in the Nigerian area. Living quarters are also demarcated in a way that articulates class distinction, which brings back memories of such distinctions in colonial Nigeria when government reservation areas were exclusive to the colonial administrators while those Nigerians who worked for the colonial authorities were relegated to the rest of the country (Adunbi 2015; Watson 2013; Apter 1992; Mann 1991). For example, in colonial Lagos, the British lived in Ikoyi and Victoria Island, a highbrow area of Lagos, while the Nigerian staff lived in designated quarters in Yaba and Surulere, an area considered to be for low-income workers. Similar colonial practices were replicated in all the major cities and towns in colonial Nigeria. In the postcolony, multinational oil corporations have also shaped such practices through housing classifications, as Adunbi (2015) observed in the city of Port Harcourt.

One of the important regulatory practices of the state is the management and disciplining of international banking and financial transactions. The deregulation of international banking and financial transactions within the FTZs can also be read within the framework of new colonial practices. For example, the state regulates how banking and financial transactions are conducted within its territory and how foreign transactions and other monetary transfers that companies can undertake are taxed. However, this is different in the zones, particularly the LFTZ. For example, one of the regulatory practices being put in place in the LFTZ is the establishment of offshore financial and banking operations. The use of offshore banking and financial services allows corporations and businesses to shield transactions from the prying eyes of the state and avoid paying taxes on profits, and thus creates a form of secrecy (Shaxson 2014; Stiglitz 2008; Unger 2009). While the establishment of an offshore banking system within the FTZs is envisaged to facilitate easy access to financial support for businesses within the zones, this will further legitimize the claim that the zones are 'not Nigeria' – the very term 'offshore' is suggestive of the fact that it is foreign or completely detached. As one informant noted: 'With offshore banking in our zone, we will no longer be required to process our financial transactions through the Central Bank of Nigeria, CBN.'[13] Since the CBN is the main regulatory institution of the state in the area of banking and financial services, bypassing it creates a sovereign space for the FTZs in which they can self-regulate and enforce their own regulatory practices away from the oversight of the state. Therefore, offshore banking provides a platform that allows the zones to produce, manage and deploy their profits in ways that protect them from state regulatory practices. The infrastructure of offshore practices, combined with the disciplinary practices of the zones, creates an environment of displacement and deprivation for populations in such a way that the zone becomes a state detached from the larger state.

## Conclusion

In many African countries, FTZs have grown exponentially in the last decade. China and consortiums from China in collaboration with local governments, especially in countries such as Nigeria, have spearheaded many of these FTZs. While FTZs are not new in themselves, the introduction of different practices in their establishment has become a distinguishing factor in this recent iteration. Nowhere are these new practices more prominent than in a country such as Nigeria. The first type of FTZ emerged within the structural adjustment programmes introduced as part of an economic recovery programme prescribed by international financial institutions, especially the International Monetary Fund and the World Bank, in the 1980s and 1990s. Known then as free export processing zones (EPZs), their main objectives were the opening up the country's market to external investors and the establishment of specialized zones for processing exportable commodities. While today's FTZs are no longer limited to exportable commodities, resource extraction and exportable materials are still dominant. As I have shown, infrastructure construction today is tied to the establishment of specialized zones that can enjoy some level of autonomy from the state, and that autonomy is shaped by the displacement of large parts of the population to make way for the construction of such enclaves.

Therefore, as I have demonstrated, the construction of large FTZs on the outskirts of otherwise very impoverished megacities across sub-Saharan Africa opens up a Pandora's box of thorny questions. FTZs, as well as their adjoining satellite cities, are often marketed as self-contained units that purposefully separate themselves from the chaos and disorder of the rest of the city in which they are built, while also providing much-needed manufacturing and infrastructural facilities for the state (Watson 2013). By investing in these projects, investors help both to perpetuate the inequality that the FTZs cause and to displace large populations in the largest and poorest cities, such as Lagos. FTZs cater to the needs of the state, whose intention is to create new revenue streams and benefit foreign investors who

[13]Interview conducted in the LFTZ, July 2017.

are presented with new opportunities for profit making, while ignoring the concerns of communities where such zones are located. The symbolic and legal framework of FTZs is also tricky. By overemphasizing the independence and self-contained nature of the zones, governments enter a slippery slope of sovereignty, with FTZs seen more as their own independent city states than as part of the larger political system that defines the state. That is exactly how the FTZs in Nigeria are envisaged in their application and practice. While the aims of the zones are to increase the capacity of the state to improve its revenue base, expand on its physical infrastructure and create environmentally sustainable jobs, the outcome for the population has been deprivation, displacement and dispossession from livelihoods and ancestral inheritance.

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## Abstract

This article interrogates the introduction of special economic zones (SEZs) in Nigeria with an emphasis on the establishment of the Lekki free trade zone (FTZ) in May 2006 by the Lagos State government in partnership with a Chinese consortium, and of the Ogun-Guandong FTZ in Igbesa, Ogun State by the Ogun State government. The aim of the Lekki FTZ, Ogun-Guandong FTZ and other SEZs is to transform Lagos and Ogun states into the manufacturing hub of West Africa and sub-Saharan Africa. These economic zones in Nigeria encompass oil and gas, manufacturing, retail, real estate, and other ancillary companies. Based on interviews and participant observations, this article investigates how differing notions of land ownership circulate within communities affected by the FTZs. I ask how it is that indigenous populations, who fear displacement from their living spaces and socio-economic livelihoods, have begun to utilize claims to ancestral land ownership as symbolic expressions of cultural meanings and belonging that run counter to the property regimes associated with the FTZ project. How does the production of such cultural meanings intersect with the claims and counter-claims of indigeneity, communal ownership, and belonging to a space with a rich history that predates the postcolonial state and the inheritors of state power in Lagos? How is it that FTZs, framed as infrastructure projects designed to make life better for the people, end up displacing populations? In drawing out the connections between large-scale development and displacement, this article examines how communities employ both the tangible and intangible past to show how contestations over land ownership are reshaping new forms of community history and culture.

## Résumé

Cet article interroge l'introduction de zones économiques spéciales (ZES) au Nigeria et plus particulièrement la mise en place de la zone de libre-échange (ZLE) Lekki en mai 2006 par le gouvernement de l'État de Lagos en partenariat avec un consortium chinois, et de la ZLE Ogun-Guandong à Igbesa, l'État d'Ogun par le gouvernement de l'État d'Ogun. La ZLE Lekki, la ZLE Ogun-Guandong et d'autres ZLE ont pour objectif de faire des États de Lagos et d'Ogun le pôle de production d'Afrique de l'Ouest et d'Afrique subsaharienne. Ces zones économiques au Nigeria regroupent des compagnies pétrolières et gazières, des entreprises manufacturières, des sociétés de distribution, des sociétés immobilières et d'autres sociétés auxiliaires. Basé sur des entretiens et des observations participantes, cet article étudie comment diverses notions de propriété foncière circulent au sein des communautés affectées par les ZLE. L'auteur demande comment il se fait que les populations indigènes, qui craignent

de perdre leurs logements et leurs moyens de subsistance socioéconomiques, ont commencé à utiliser des revendications de la propriété des terres ancestrales comme expressions symboliques de significations et d'appartenance culturelles qui vont à l'encontre des régimes fonciers associés au projet ZLE. Comment la production de telles significations culturelles se recoupe-t-elle avec les demandes et contredemandes d'indigénéité, de propriété en commun et d'appartenance à un espace riche en histoire antérieur à l'État postcolonial et aux héritiers du pouvoir d'État à Lagos ? Comment se fait-il que les ZLE, présentées comme des projets d'infrastructure conçus pour améliorer la vie des gens, finissent par déplacer des populations ? En traitant des liens entre grands projets immobiliers et déplacement, cet article examine comment les communautés utilisent le passé, tant tangible qu'intangible, pour montrer comment les contestations portant sur la propriété foncière refaçonnent de nouvelles formes d'histoire et de culture communautaires.