

GROWTH PATTERN AND THE INDUSTRIAL DEVELOPMENT OF THE LAGOS REGION, NIGERIA

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ABSTRACT

This paper examines the nature, growth and spatial pattern of industries within the Lagos Region. Industrial activities in this region grew progressively over the year from mere brickwork, palm oil mills, printing press, soap factory, and metal container factory to capital intensive manufacturing. Indeed, the number of industrial establishments increased from 122 in 1962 to 637 in 1993. Lagos developed into Nigeria's leading industrial center, especially following the expansion in its service and administrative sectors. Whereas, chemicals and pharmaceutical; and basic metal, iron and steel and fabricated metal products industry groups dominate in industrial scene, wood and wood products (including furniture); and non-metallic mineral products are rare. The spatial pattern shows that industrial establishments vary amongst the industrial estates/areas, and also among the industry groups. Ikeja/Ogba/Isheri industrial estate/area dominates the industrial scene.

Keywords : *Industrial development, industrial spatial pattern.*

INTRODUCTION

The Lagos region are conceived here covers metropolitan Lagos and the outlying districts of Agbara, Sango/Ota and Ojodu/Isheri industrial state/area, in Ogun State. This region, located along the south west of Nigeria, is situated approximately between latitudes 6°27' and 6°37' North of the equator and longitudes 3°15' and 4°47' East of the Greenwich Meridian (Figure 1). The Lagos region, with an area of about 1,088 Km², cover about 32 per cent of the land area of Lagos State. About 20 per cent of this area is made up of lagoons and mangrove swamps.

The Lagos region, apart from being the industrial nerve center of Nigeria, is also the leading center of commerce. Some 60 to 70 per cent of all commercial transactions in Nigeria are carried out or finalized in the Lagos region. About 70 per cent of the total value of industrial investments in Nigeria is in the Lagos region. Over 65 per cent of the country's

industrial employment is also concentrated in this region, leaving the remaining 35 per cent to other parts of the country (Ajayi, 1989). Indeed, industries in this region are more capital intensive than any other part of the country (Odumosu, 1999). Apart from the foregoing, the Lagos Region has two seaports, Tin Can Island and Apapa.

The two ports handle about 60 per cent of Nigeria's total exports excluding crude oil and about 70 per cent of imports. Major terminals for both road and rail routes are located in the Lagos region. The strategic location of the Lagos region is further strengthened by the presence of the most important airport. Perhaps it is this strategic position of the Lagos region within the country that explains why most industrial concerns and trading companies, such as the United African Company (UAC), Union Trading Company (UTC), Peterson and Zochonis (PZ), have their head offices located in this region. (Ayeni, 1981) notes "these industries engaged in the production of consumer goods for which markets already existed. Since the production of these goods sometimes involved the important of semi-processed raw materials, machinery as well as the skilled labour, industrial location shifted from raw material orientation to port locations as the ports (including Lagos) of the country were indeed the break of bulk points for semi-processed raw materials, machinery etc, being imported into the country".

In addition, major financial centers, such as the Nigerian Stock Exchange, and the head office of major banks, insurance companies and other financial institutions are located in this region. The implication is that the Lagos region, more than any other part of the country, have strong links with the other parts of the country. Very few know studies on industrial activities in the Lagos region (Arikawe, 1986; Lee, 1991; Babarinde, 1995; Odunosu, 1999; Ajayi, 1998, 2000, 2001; and forthcoming) have focused on some behavioral aspects of industries in the Lagos region. There is the urgent need for further detailed researches on the industrial activities in this region. In addition, further researcher would place on record the leading industrial center this region provides for Nigeria, and indeed within the West African sub region. Indeed, Kulklinski (1978) recognizes the growing importance of macro-criteria in building an important link between industrial location, industrialization and regional development. Apart from this introduction, the rest of the paper pertains to the growth pattern of the Lagos region, nature, growth and spatial pattern of industries in the region.

Growth pattern of the Lagos region

The city of Lagos was in the 15th century, a small fishing and farming settlement on an island chosen for that purpose by people from the port hinterland. This island was inhabited because it was comparatively safe from attacks during inter-tribal wars. Lagos became a port of call for Portuguese merchants who later christened it *Lagos de Curamo* because of its prominence during the slave trade of the 17th and 18th centuries. The indigenes, however, still refer to it as *Eko*, its original name.

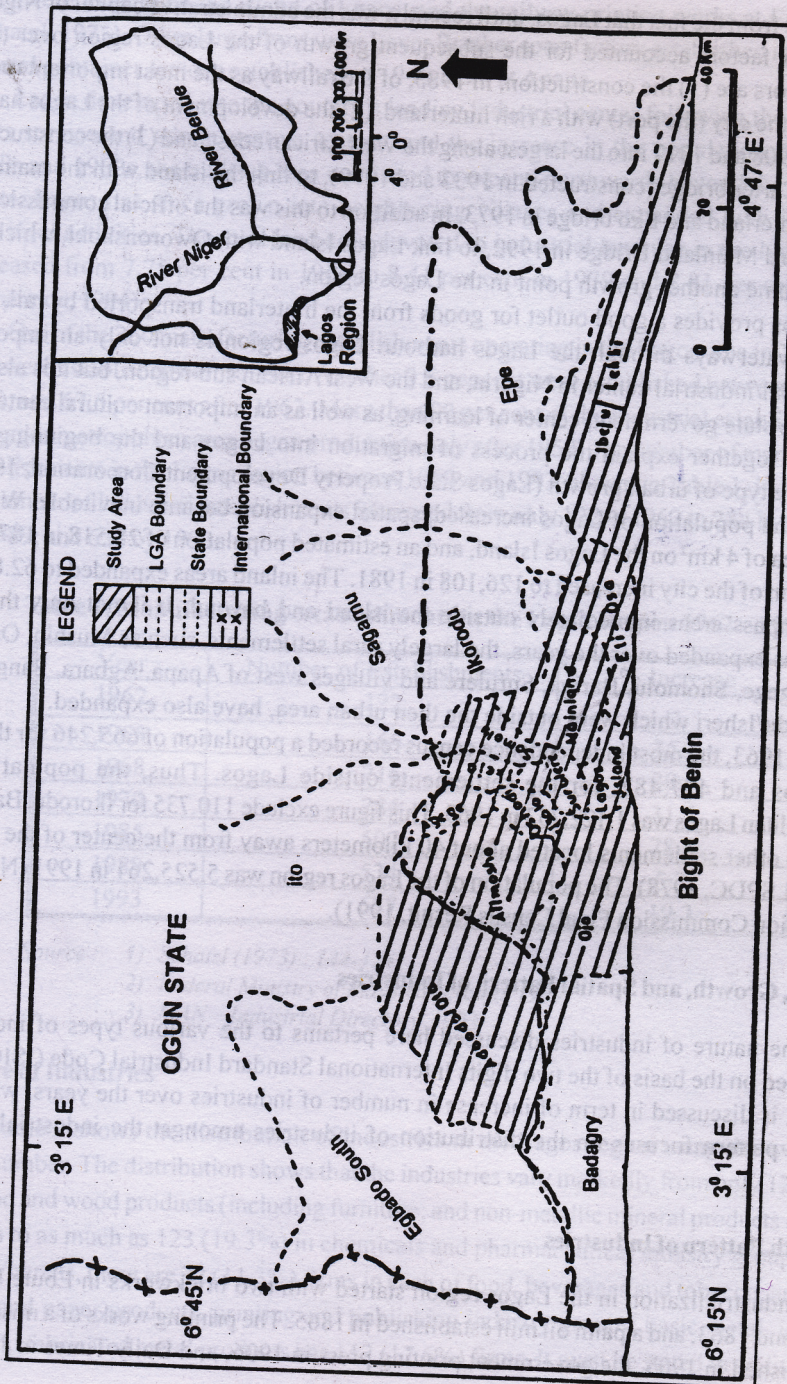


Figure 1. Lagos Region

Apart from the fact that Lagos, until recently, was the administrative capital of Nigeria, three other factors accounted for the subsequent growth of the Lagos region over time. These factors are (1) the construction, in 1985, of the railway as the most important means of linking the city (the port) with a rich hinterland, (2) the development of the Lagos harbor between 1908 and 1917 into the largest along the West African coast; and (3) the construction, in 1990, of Carter bridge (constructed in 1933 and 1979), to link the island with the mainland and the hinterland and Eko bridge in 1973. In addition to this was the official commissioning of the Third Mainland Bridge in 1992, to link Lagos Island with Oworonshoki, which has since become another growth point in the Lagos region.

Lagos provides a good outlet for goods from the hinterland transported by rail, road and the waterways through the Lagos harbour. Lagos region is not only an important commercial/industrial center in Nigeria, and the West African sub-region, but it is also the seat of the state government, center of learning, as well as an important cultural center. All these put together explain the process of migration into Lagos and the beginning of a distinctive type of urban growth (Lagos State Property Development Corporation, 1978).

As the population of Lagos increased, spatial expansion became inevitable. With an initial area of 4 km² on the Lagos Island, and an estimated population of 28,518 in 1871, the population of the city increased to 126,108 in 1981. The inland areas expanded to 62.8 km² to encompass areas immediately outside the island and beyond. It is not only the city which has expanded over the years, the largely rural settlements, such as Mushin, Oshodi, Ikaje, Agege, Shomolu, Bariga, Surulere and villages west of Apapa, Agbara, Sango/Ota and Ojodu/Isheri which were outside the then urban area, have also expanded.

By 1963, the most independence census recorded a population of 665,246 for the city of Lagos and 457,487, for the settlements outside Lagos. Thus, the population of metropolitan Lagos was 1,122,733 in 1963. This figure exclude 110,735 for Ikorodu, Baiyeku, and two other settlements located about 40 kilometers away from the center of the city of Lagos (LSPDC, 1978). The population of the Lagos region was 5,525,261 in 1991 (National Population Commission Final Census Result, 1991).

Nature, Growth, and Spatial Pattern of Industries

The nature of industries discussed here pertains to the various types of industries classified on the basis of the two digits International Standard Industrial Code (ISIC). The growth is discussed in term of increase in number of industries over the years, while the spatial pattern focuses on the distribution of industries amongst the industrial estate/areas.

Growth Pattern of Industries

Industrialization in the Lagos region started with two brickworks in Ebute Metta in 1859 and 1863, and a palm oil mill established in 1865. The printing works of a mission was established in 1905, the government printing press in 1906, and Daily Times in 1925. All

these were located on the island of Lagos, and the railway printing works at Ebute Metta (Schatzl, 1973). Other large firms were Lever Brother soap factory established in 1985, and a metal container factory established in 1940, both at Apapa.

Lagos developed into the country's leading industrial center following the expansion in its service and administrative sectors, and the increase in the population. During the 1950s and 1960s, the built-up area continued to expand northwards beyond the actual city limits. Lagos has since grown into neighboring villages and expanded both in size and industrial activities. The total land area devoted to industrial land use in the Lagos region increased from 7.75 per cent in 1966 to 8.41 per cent in 1979 and 8.81 per cent in 1992 (Babarinde, 1994).

Out of the 230 manufacturing establishments operating in the Lagos area in 1969, 5 per cent were established before 1946. Another 3.5 per cent were established between 1946 and 1950, and 67.5 per cent after 1963. More than 90 per cent of the industrial establishments in the Lagos metropolitan area began production only after 1950. The number of manufacturing establishments in the Lagos region between 1962 and 1993, shown in Table 1, indicates that the number of industrial establishments increased from only 122 in 1962 to 284 by 1970, 534 by 1989; and 637 by 1993.

Table 1. Manufacturing establishments in the Lagos Region 1962 – 1993

Year	Number of Establishments	% Increase
1962	122	-
1965	165	35.2
1968	216	30.9
1970	284	31.5
1985	507	78.5
1989	534	5.3
1993	637	19.3

Source : 1) Schatzl (1973) : 144-124;
 2) Federal Ministry of Industries-Abuja, 1989
 3) MAN – Industrial Directory, 1993

Nature of Industries

Table 2 shows the distribution of industries in the Lagos region using the two digits ISIC number. The distribution shows that the industries vary markedly from only 12 (1.9%) in wood and wood products (including furniture; and non-metallic mineral products industry groups to as much as 123 (19.3%) in chemicals and pharmaceutical industry group.

Whereas, there are 72 (11.3%) firms in each of food, beverages and tobacco; and pulp, paper and paper products, printing and publishing industry groups; basic metal, iron and steel and fabricated metal products has 112 (17.6%) firms. It must be stated in addition that

the type of industries varies amongst the industrial estates/areas just as the total number of firms vary amongst the industrial/areas.

Table 2. Distribution of Manufacturing Industries in the Lagos Region

S/No. Industrial Estate/Area	Industries (ISIC)										Total	%
	31	32	33	34	35	36	37	38	39	40		
1. Ikeja/Ogba/Isheri	12	22	11	32	15	6	5	1	5	2	111	17.4
2. Oregun	3	12	6	4	3	4	3	3	0	4	42	6.6
3. Gbadaga	0	1	0	1	0	0	0	0	0	1	3	0.5
4. Ikorudu Road/Ojata	4	6	6	10	2	2	5	2	1	0	38	6
5. Oshodi/Agege	3	19	13	11	9	10	3	0	0	2	70	1
6. Matori	4	0	2	3	3	3	0	0	0	3	18	2.8
7. Isolo	3	9	4	7	1	8	7	0	1	6	46	7.2
8. Ilupeju	4	13	13	6	6	4	10	0	1	1	58	9.1
9. Mushin/Surulere	6	1	4	3	6	0	1	1	0	0	22	3.5
10. Yaba	3	3	3	0	4	2	2	1	1	0	19	3
11. Ijora	1	0	2	2	0	0	0	0	0	0	5	0.8
12. Iganmu	3	3	2	3	4	5	5	1	0	1	27	4.2
13. Sango/Ota	10	13	12	15	4	4	3	2	1	3	67	10.5
14. Agbara	7	11	7	9	8	3	3	0	1	2	52	8.2
15. Apapa/Tin Can Island	9	10	6	6	7	8	6	1	1	5	59	9.3
Total	72	123	91	112	72	59	54	12	12	30	637	100

Source : Compiled from M.A.N Industrial Directory, 1992

Industry Group

31- Food, Beverage, and Tobacco

32- Chemicals and Pharmaceuticals

33- Domestic and Industrial Plastics and Rubber

34- Basic Metal, Iron and Steel and Fabricated Metal

35- Pulp, Paper, and Paper Products, Printing and Publishing

36- Electrical/Electronics

37- Textiles, Wearing Apparel and Leather

38- Wood and Wood Products (including furniture)

39- Non metallic mineral Products

40- Motor Vehicle and Miscellaneous Assembly

Spatial Pattern of Industries

Industries activities are concentrated in Agege, Eti-Osa, Ikeja, Lagos Island, Lagos Mainland, Mushin, Ojo and Shomolu local government areas of Lagos State, and the adjoining hinterlands of Agbara, Sango/Ota, and Ojodu/Isheri areas to which manufacturing industries in Lagos metropolis relocated.

Table 3 shows the year of establishment and the relative importance of the industrial estate/areas in the Lagos region, while figure 2 shows the location of industrial estates/areas. Six of the industrial estates/areas were establishment before Nigeria's independence in 1960. These are Ikeja/Ogba/Isheri, Gbagada, Matori, Mushin/Surelere, Yaba, and Apapa/Tin Can Island. Four other Isolo, Ilupeju, Ijora and Iganmu industrial estates/areas were established between 1960 and 1970, while Oregun, Oshodi/Agege and Agbara industrial estates/areas were establishment after 1970.

Table 3. Industrial Estates/Areas in the Lagos Region, 1993

S/No	Location (Estate/Area)	Year Estab.	Area in Hectares	No. of Industrial Establishments	Percentage
1.	Ikeja/Ogba/Isheri	1957	330	111	17.4
2.	Oregun	1971	100	42	6.6
3.	Gbagada	1958	121	3	0.5
4.	Ikorodu Road/Ojota	N.A.	N.A.	38	6.0
5.	Oshodi/Agege	1972	120	70	11.0
6.	Matori	1958	120	18	2.8
7.	Isolo	1968	120	46	7.2
8.	Ilupeju	1962	110	58	9.1
9.	Mushin/Surulu	1957	30	22	3.4
10.	Yaba	1958	20	19	3.0
11.	Ijora	1965	138	5	0.8
12.	Iganmu	1965	110	27	4.2
13.	Sango/Ota	N.A.	N.A.	67	10.5
14.	Agbara	1981	454	52	8.2
15.	Apapa/Tin Can Island	1957	110	59	9.3
Total				637	100.0

Source : 1) *Lagos State; Directory of Manufacturing Companies, 1989*
 2) *Babarinde, A.J. (1995)*
 3) *Manufacturers Association of Nigeria Industrial Directory, 1989*
 4) *Manufacturers Association of Nigeria Industrial Directory, 1993*

The land area of Agbara and Ikeja industrial estates/areas are 454 and 330 hectares respectively. Other industrial estates/areas have below 150 hectares each. For instance, Mushin/Surulere industrial estate/area has 30 hectares while Yaba has only 20 hectares. The number of operating industrial establishments varies among the industrial estates/areas. While Ikeja/Ogba/Isheri has a total of 111 (17.4 percent) industrial establishments, Oshodi/Agege has 70 (11.0 per cent), Sango/Ota industrial estate/area has 67 (10.5 per cent), Yaba and Matori industrial estates/areas have 19 (3.0 per cent) and 18 (2.8 per cent) industrial establishments respectively. Ijora industrial estate/areas has only 5 (0.8 per cent) while Gbagada industrial estate/area has 3 (0.5 per cent) industrial establishment.

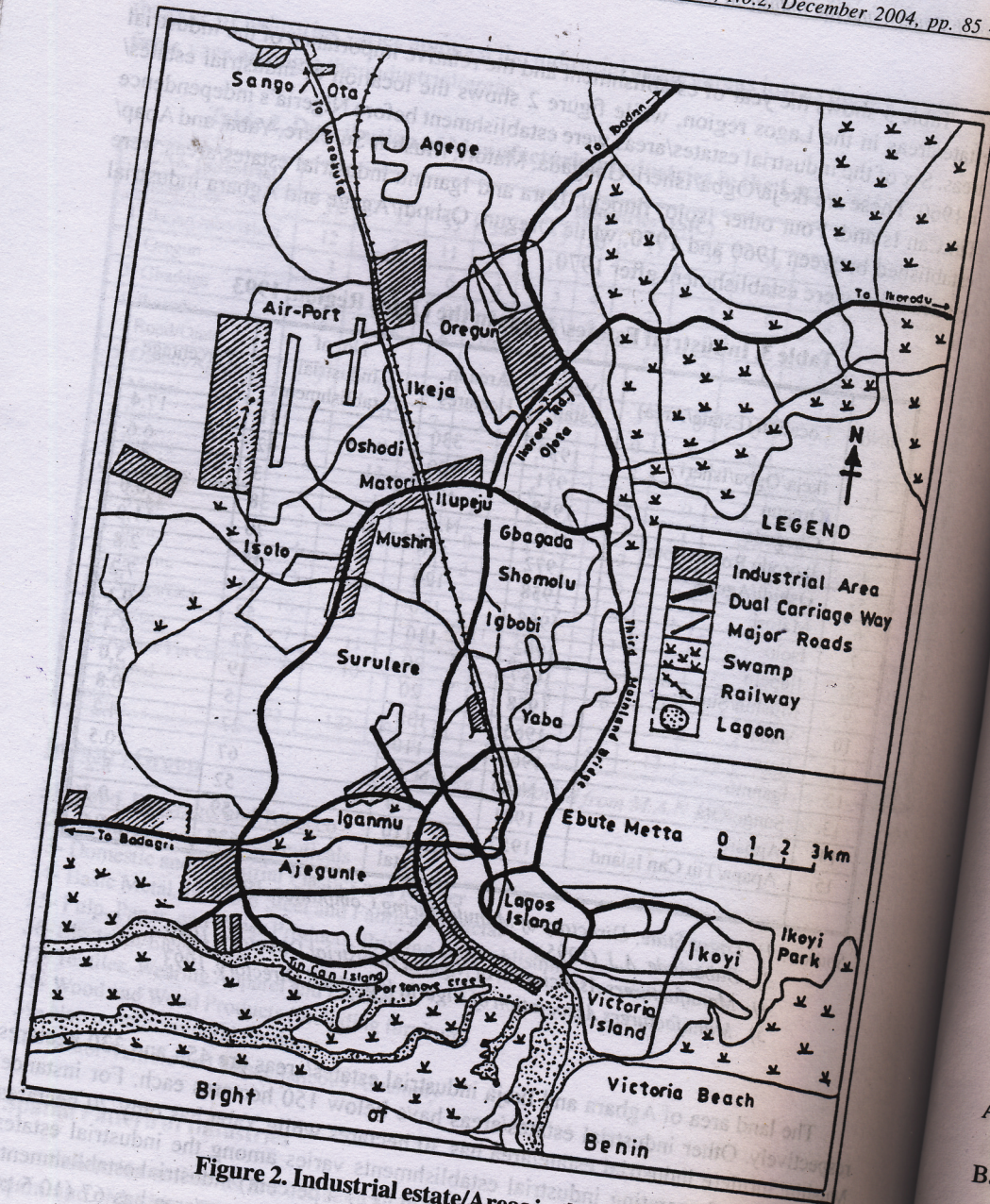


Figure 2. Industrial estate/Areas in the Region

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SUMMARY AND CONCLUSION

This paper has aptly shown that the Lagos region remains the industrial nerve center of Nigeria, as about 70 per cent of the total value of industrial investments is concentrated in this region. Over 65 per cent of the country's industrial employment and major industrial concerns are also concentrated here. From mere brickworks, and palm oil mill established in 1859 and 1865 respectively, the number of manufacturing firms grew progressively to 637 by 1993.

There are variations in the number and type of industrial activities amongst the industrial estates/areas. Whereas, chemicals and pharmaceutical; and basic metal, iron and steel and fabricated metal products industry groups dominate the industrial scene, wood and wood products (including furniture); and non-metallic mineral products are rare. The spatial pattern of industries shows that Ikeja/Ogba/Isheri industrial estate/area has the largest concentration of industries while Gbagada and Jora industrial estate/areas have less industrial activities undertaken in them. There is, however, much research needs into the industrial activities within the Lagos region especially within contemporary globalization of industrial activities.

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... (Map of Nigeria with various regions and cities labeled, including Lagos, Ibadan, and Abuja. The map shows state boundaries and major cities.