## THE LONG 19<sup>TH</sup> CENTURY: FROM SLAVE TRADE TO COMMODITY TRADE

Course: African Economic History (Frankema & Austin) Universidad de la República

Montevideo 16 March 2015

#### **Gareth Austin**

Department of International History The Graduate Institute, Geneva

### **INTRODUCTION**

## Importance of the commercial transition

- Transformation of Sub-Saharan Africa's position in the world
- From exporter of slaves (human commodities), for hundreds of years
  - To South Asia and especially West Asia and North Africa
  - And, since C15th, to Europe and especially the Americas
- To exporter of vegetable products: as in colonial period, c.1890-c.1960
- Alternative views of this change in specialisation
  - One more step in exploitation and underdevelopment (Dependency)
  - A fundamentally better position in the market, realizing gains from trade (Hopkins, Inikori)

# Transition was very uneven between regions of SSA

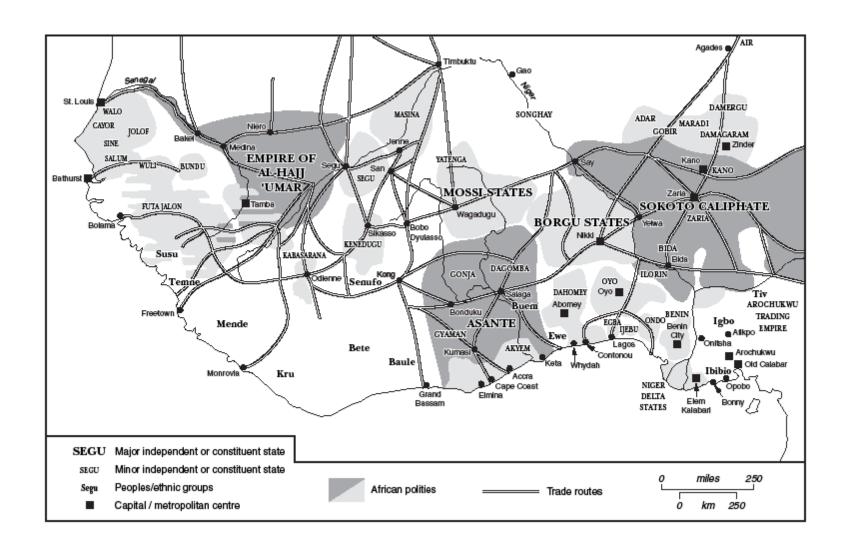
- Central Africa: slave exports rise after 1807, continue to 1867
  - So late transition to 'legitimate commerce'
- East Africa: slave exports also peak in C19th (1860s-70s),
  via Arab trade through Zanzibar and northwards
  - Even later transition
- Saharan trade: again, slave exports peak in C19th:
  - Transition really happened mainly after colonization
- South Africa: a different story
  - Some slave exports, esp from Mozambique
  - But main story in C19th was, first, emergence of new, militarised kingdoms among pastoralists, e.g. Zulu kingdom;
  - Later, mineral revolution in South Africa ...

#### So we will focus on West Africa

- Where transition effectively began 1807 (British abolition of participation in slave trade)
- Growth of 'legitimate commerce' of palm oil (later also palm kernels) from Cameroun to Ivory Coast, and of groundnuts (peanuts) from Senegambia
- Clear debate: about the 'transformation thesis'
- Map below shows main West African states c1850

## Agenda (you may want to add ...)

- (Prelude: was the transition partly endogenous?)
- Transformation thesis (Hopkins)
- Critics of the thesis: argument for continuity
- Elements underplayed in the thesis (from more recent research):
  - A) Change from the interior of West Africa: the jihads and the Sokoto Caliphate
  - B) Major expansion of slavery within West Africa
- Relationship between the commercial transition and the European Scramble for (West) Africa, 1879-c1903



# Link with last topic: was the transition partly endogenous?

#### Real Prices of Slaves in, and Numbers of Slaves Shipped from, West Africa 1783-1807 (Austin 2013)

Period	Price (GB £)*	Numbers Shipped:	
	average, real	average annual	
1783-1787	15.6	45,482	
1788-1792	19.1	48,023	
1793-1797	17.5	29,775	
1798-1802	23.3	37,058	
1803-1807	25.3	38,574	

<sup>\*</sup>Base: mean prices of 1783-7.

Sources: Prices from Paul E. Lovejoy and David Richardson, 'British abolition and its impact on slave prices along the Atlantic coast of Africa, 1783-1850', *Journal of Economic History* 55: 1 (1995), Table 3 (p. 113). Numbers shipped are calculated from David Eltis, Martin Halbert et al., *Voyages: the Transatlantic Slave Trade Database* <a href="http://www.slavevoyages.org">http://www.slavevoyages.org</a> (2008). Accessed 31 May 2009.

#### TRANSFORMATION THESIS

- Originated, in part, in perceptions of some contemporaries (African and European)
- Put forward for the Niger Delta in a pioneering work of African economic history, K. O. Dike's *Trade and Politics* in the Niger Delta (1956)
- Fullest formulation by Hopkins 1973, ch. 4, in terms of staple theory

## Hopkins's propositions

- Transition the beginning of 'the modern economic history of West Africa': in a structural sense
- In contrast to the slave trade, 'legitimate' commerce was characterised:
  - Very low entry threshold
  - No economies of scale

## Implications of this shift of scale

#### A) Economic

 Entry of small-scale producers and traders into the overseas trade for the first time

#### B) Political:

- Shift of relative wealth, and ultimately power, away from established elites
- Niger Delta: Ja Ja, a former slave, led successful revolt v King
  Pepple in Bonny & in 1869 established the new kingdom of Opobo
- Senegambia: peasants use groundnut income to buy firearms, participate in jihadist movements against existing regimes

#### Rulers resisted

- e.g. by putting slaves to work on newly-created palm oil plantations (e.g. Kingdom of Dahomey under King Ghezo)
- or by resorting to taxation or predation on the new commerce, e.g. imposition of trade barriers

## Phasing of the political-economic transition

- Gradual while the commodity boom lasted: eC19
- Conflicts, and use of predation and outbreaks of violence, became more frequent when commodity prices fell, esp. 1873-96
  - Hopkins here argues for link to European partition of Africa

#### **CONTINUITY THESIS**

- From Ajayi (1960s-70s) to Lynn (1997)
- No economies of scale? Yes there were, in trade, albeit not production
  - thus the Aro trading network, which had dominated the Niger Delta slave trade, survived the transition to palm oil

## Political implication

- Rulers often held on to power
- Where there were revolutions, the issues were more complicated than class alone

# My comments on the Transition debate (1)

- Trade/production distinction important
- Commercial value in Niger Delta: price of 1 slave = price of 1 ton palm oil (requiring 250 persondays to produce)
- What was new: massive entry of small-scale producers into production for overseas export
- Crops and methods of production not new
- Political changes on coast: partly, but only partly, attributable to weakening of economic base of rulers

## Comments (2)

Other vital elements in the changes of the period ...

## ECONOMIC IMPACT OF JIHADS IN THE INTERIOR

- Especially the SOKOTO CALIPHATE
- ihad declared in 1804 by Uthman dan Fodio
- State consolidated by c1820
- Annual raids/wars on 'pagan' neighbours
- Conquered by British in 1903

# Why did the jihads in the savanna matter for economic history?

- Older assumption was that they did not, except for causing war and disruption
- Most of the jihadist regimes fought regular campaigns against 'pagan' neighbours; the newer jihadist regimes of C19th tended to maintain standing armies (Masina, Samori)

# But Sokoto Caliphate contributed to economic growth

- Partly unified a large market, previously sub-divided among Hausa states
- Tax regime, esp in Kano emirate, favourable to handicraft production
- Import of captives supplied the slave villages (owned by aristocrats) which grew raw cotton & indigo dye for Kano textile industry

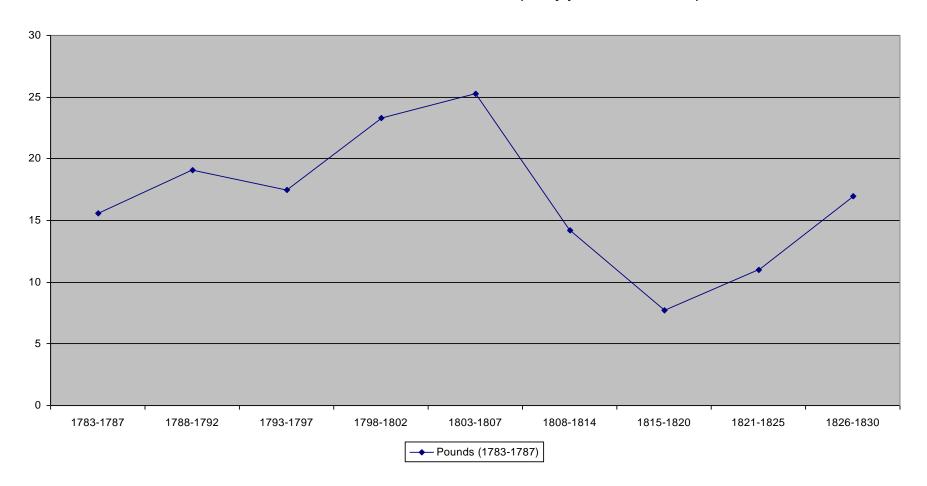
# Kano as centre of commerce & production

- Centre of trade over WA and Sahara
- Agglomeration of producers led to innovation: Shea's larger dye pits
  - economies of scale

## GROWTH OF SLAVERY WITHIN AFRICA

- In this case West Africa, though also true in East and Central Africa
- Partly related to the decline of overseas demand for slaves ... and partly offset it
- Use of slave labour in commodity production, for both overseas and regional markets (e.g. growing cotton for Kano textile industry)

#### Real Prices of Slaves in West Africa 1783-1830 (Lovejoy & Richardson 1995)



# Nieboer-Domar hypothesis for the conditions under which coerced labour would be profitable applied ...

- Labour scarce relative to land and capital
- Absence of technologies generating big economic advantages of scale
- Hence free labour expensive (as post-slavery real wage rates confirm)
- In C17-C19 West Africa, slave trading was
  - either cheaper than hiring labour on wage market (Hopkins)
  - or, even, there was no wage rate that was in the mutual interest of prospective employer and prospective employee to accept (Austin)

#### Such that ....

- At the time of colonization, probably 30% or more of the population of most West African societies were slaves (were considered the re-saleable property of
  - French 'censuses' of slave-holding (Klein 1998)
- After all, free labour was very expensive:

## Real wages calculated by 'barebones basket' method (Frankema & van Waijenburg 2012)

- Measure is based on the cost of maintaining 2 adults + 2 children at a minimum standard of living, buying cheapest available foodstuffs
  - the income required for this 'family subsistence basket' is counted as 1.0
- The real wage is expressed as a ratio of the purchasing power required to buy 1 family subsistence basket
  - Known as the 'welfare ratio'

#### Real Wages of Unskilled Urban Workers in 1900

Expressed as 'Welfare Ratios' (Frankema & van Waijenburg 2012)

Accra	Lagos	Kampala	Nairobi
2.4	3.3	1.2	1.3

Effort-price of Buying a Slave:

time required for free man[?] to make enough

money to buy a slave

Year	Place	Effort-price (months)	Source
1796-7	Near Bamako (Mali)	2 - 2.5 (dry- season)	Park
1828	Casamance (S. Senegal)	15	Swindell & Jeng [CO87: March 1829]
1843-4	Bambuk (Mali)	1	Raffenel
1823- late 1890s	Asante (Ghana)	1.5 -9 (during dry- season[s])	Austin

Returns on Investment in Slaves:

time taken for slave's cash-earning output to

match cost of his (or her?) purchase

Year	Place	Effort-price (months)	Source (full ref in paper)
c.1831	Niger Delta	12	Law
1836	Sierra Leone	16	Law
Late C19	Gumbu, Mali	48	Meillassoux
Late C19	Diahunu, Mali	36	Pollet & Winter
c.1899	Soninke	36	Manchuelle
c.1899	Senegal river	48-60	Klein
1904	French West Afr.	36	Meillassoux

## THE COMMERICAL TRANSITION AND THE SCRAMBLE FOR AFRICA

- Transition really complete only after colonization?
- Was there a link in motives?

## Hopkins' link between the transition and the Scramble

- Shift in barter terms of trade in favour of primary producers with the British Industrial Revolution had stimulated the growth of legitimate commerce in early C19th
- That income softened the blow of the relative decline of big traders and rulers
- But when barter terms of trade shifted again, in later
  C19th, the result was a crisis on both sides of the African-European commercial frontier
  - Falling incomes: so rulers resort to predation
  - Falling incomes: so European merchants petition for imperial takeover

## Comments on this part of Hopkins' thesis

- We must avoid inferring motive from outcome (circular argument): so the test is the internal correspondence at the time
- Is the chain of motivation shown all the way from merchants' petitions to European ministers' actions?
- Plausible argument as a partial explanation

## Other ways of looking at the link

- Was the commercial transition completed only after colonization?
- And did it require infrastructural investment, and perhaps institutional changes, that African rulers could not deliver?
  - Debate between Hopkins and Warner
  - Bonds for railway-building

## 'Cash crop revolution': the major West African cases (000 tonnes)

Colony & Crop	1890	1900	1910
Senegambian peanuts	45.7	177.3	348.4
Nigerian palm products	?	133.2	238.7
Nigerian peanuts	0	0.6	17.2
Ghanaian cocoa	0	0.5	53.7