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FACTOR MARKETS IN NIEBOER CONDITIONS: EARLY MODERN WEST AFRICA, c1500-c1890[1]

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Had a workshop on the factor markets in the early modern world been convened fifty years ago it is safe to assume that would have been no paper on West Africa, because it was generally assumed then that the pre-colonial economies produced little for the market besides slaves for export across the Atlantic and Sahara, hence there would have been insufficient derived demand to support a labour market; while, whether in demand or not, land was alienation-proof because of religious taboos. In 2005 the West African case(s) still appear (to some extent, was) very different from European experience, but not because any historian would today assume that precolonial societies lacked property rights in factors of production, or that they were characterised by a general absence of factor markets. Rather, the forms of property, and some of the institutions with or within which factor markets operated, were different from those which spring to mind in Western history, such as wage labour, land titling, and financial intermediation.

The work of the first generation (as opposed to earlier individual pioneers) of professional economic historians of West Africa was signalled by K. O. Dike's *Trade and Politics in the Niger Delta* (Oxford, 1956), and was compellingly synthesised and carried forward by A. G. Hopkins, *An Economic History of West Africa* (London, 1973). Hopkins arranged his book around the theme of markets: including factor markets, which did exist, even if the main and most ubiquitous kind of labour market took the form of trade in persons rather than in their working hours. Where a factor market did not exist, as was usually the case with land, its very absence could itself be explained in terms of market economics – as will be confirmed below. Since 1973 a further generation of research has revealed much more about the scale and characteristics of market transactions in factors of production: showing that slave-trading and holding within West Africa became increasingly common during and in the aftermath of the Atlantic slave trade, and enquiring further into the implications of different political and institutional arrangements for the operation of markets.

I will argue that the pattern of property and markets in factors of production in early modern West Africa was basically a response to the what might be called (particularly appropriately in the Netherlands) 'Nieboer conditions: relative abundance of cultivable land, relative scarcity of both labour and capital.[2] In this setting, given also an absence of economic advantages of scale in production, the opportunities for mutual gain by contracting for labour or land tended to be few and small. The structure of the paper will reflect the agenda set out in the Call: a series of sections will consider the evidence on the nature of markets in each factor of

[1] This paper is a hasty foray into terrain that I intend to explore more fully in the future. It is therefore provisional: please check with me before citing, as by then I may have an improved reference to offer. Also, I had proposed to cover Sub-Saharan Africa as a whole. I apologise to anyone disappointed with the subsequent narrowing. Thought this was partly necessitated by lack of time, arguably it makes for greater depth, which may actually make the paper more useful in the very broad comparisons to which this workshop is devoted.
[2] H. J. Nieboer, *Slavery as an Industrial System* (The Hague, 1900; revd edn 1910).

production, and the institutions involved; then we will turn to the relationships between political structures and factor markets; and, finally, consider whether factor markets in West Africa were increasingly effective, in the sense of the price falling and the quantity of transactions rising. But first the context needs to be established.

The setting: West African economies, 1500-1900

For African history, 'early modern' may be defined as the era of the maritime trade with Europe and with lands of European colonization and settlement. Though this periodisation is defined in relation to external contact, this is not to imply that the main sources of change from the late fifteenth to the late nineteenth century were necessarily external. To be sure, external forces were influential through commerce with other regions and continents, across the Sahara and then also, and more intensively, across the Atlantic. Both external trades became notorious for the export of African slaves (Table 1), but both also always involved other exports too (including the gold that prompted the original Portuguese endeavour to open a sea route to the Guinea Coast in the fifteenth century).[3] A major exogenous shock to West African economies, especially but not only on the coast, was delivered by the movement to abolish the slave trade, which resulted in the progressive (if chronologically and regionally uneven) closing of the Atlantic market for slaves, essentially between 1807 and 1860. The loss of this gruesome source of export earnings was gradually offset by the emergence of markets for West African palm and peanut oil, which were used initially in Western Europe to make soap to wash the masses as industrialisation proceeded there.[4] European intrusions on the ground remained peripheral and small-scale until the 'Scramble for Africa', which was begun by the French beginning to march east from the Senegal coast in 1879, and largely completed by 1903, albeit then still often on the map more than on the ground. Before the mineral discoveries in South Africa in the 1860s and 1880s, West Africa's share of trade with western Europe was greater than that of any of the other major regions south of the Sahara. Even so, West African participation in Atlantic commerce was relatively low per capita compared to the non-African regions with Atlantic coasts.[5]

[3] For a recent examination of the economics of the Saharan trade, and references to earlier studies, see Ralph A. Austen and Dennis F. Cordell, 'Trade, transportation, and expanding economic networks: Saharan caravan commerce in the era of European expansion, 1500-1900' in Alusine Jalloh and Toyin Falola (eds.), *Black Business and Economic Power* (Rochester NY, 2002), 80-113.

[4] A. G. Hopkins, *An Economic History of West Africa* (London, 1973); Robin Law (ed.), *From Slave Trade to 'Legitimate' Commerce: The Commercial Transition in Nineteenth-Century West Africa* (Cambridge, 1995); Martin Lynn, *Commerce and Economic Change in West Africa: The Palm Oil Trade in the Nineteenth Century* (Cambridge, 1997).

[5] David Eltis and Lawrance C. Jennings, 'Trade between Western Africa and the Atlantic world in the pre-colonial era', *American Historical Review* 93 (1988), 936-59.

Table 1. Estimated Slave Exports from West Africa, 1600-1900

Route	Years	Quantity
Saharan	1600-1800	1.4 million
	1801-1900	1.2 million
Atlantic	1640-1800	4.0 million
	1801-1867	1.8 million

Source: Paul E. Lovejoy, *Transformations in Slavery: A History of Slavery in Africa* (Cambridge, 1983), 60, 79, 137, 141.

Yet West African economies, especially in the interior, remained to a great extent oriented to local and regional circuits of goods exchange.[6] It is now well established that extra-subsistence production was a vital part of local economies throughout the region.[7] While most of what most people ate was produced within their households, the market was often the channel (for many the only one available) by which were obtained the goods that mattered for self-realisation and social and political life: to get married, to acquire desirable things such as iron goods and fancier cloths, to obtain the 'means of destruction' or hunting (horses – ultimately from North Africa – and firearms from the coast). Salt was a staple, traded south from the desert through the savannna, and north from the coast through (along most of it) the forest. In some places there was even substantial trade in food grains: especially for livestock on the desert/savanna border, and millet was traded by canoe along the Senegal[8] and Niger rivers in response to local food shortages.

To illustrate the importance of local and intra-regional markets as against (though often in interaction with) external ones, let us focus briefly on what was undoubtedly the largest commercial centre in nineteenth-century West Africa, the city of Kano (then in the Sokoto Caliphate, now in northern Nigeria). When the German explorer Heinrich Barth stayed there in 1851, he exclaimed, particularly of Kano's production of and trade in cotton textiles, 'There is something grand in this kind of industry, which spreads to the north' as far as Libya, to the west as far as Timbucktu (on the Niger Bend, in what is now Mali), and 'to some degree even as far as the shores of the Atlantic …'[9] Despite being by then the principal southern terminus of the Saharan trade, Kano's trade was predominately with other parts of the Sokoto Caliphate (the large jihadist state, 1804-1903, of which it was part), of what was a broad sub-regional economy of the Central Sudan, and also with neighbouring forest economies to the south, such as the Yoruba states and the kingdom of Asante (in what is now Ghana).[10] While the biggest commercial shift of the nineteenth century was the transformation in the composition of the Atlantic commerce mentioned above, this interacted with a major, largely endogenous development: the commercial expansion centred on Kano and the Sokoto Caliphate which, for example, did much to enable the kingdom of Asante (in what is now Ghana) to off-set some of the economic effects of the closing of the maritime demand for slave exports, by providing an expanding market for kola nuts from Asante forests.[11] What was true of goods markets applied

[6] E.g. Paul E. Lovejoy, *Salt of the Desert Sun: A History of Salt Production and Trade in the Central Sudan* (Cambridge, 1986), 282.
[7] See Hopkins, *Economic History*, ch. 2.
[8] Philip D. Curtin, *Economic Change in Precolonial Africa: Senegambia in the Era of the Slave Trade* (Madison, 1975), 197.
[9] Heinrich Barth, *Travels and Discoveries in North and Central Africa*, vol. I (London, 1965: originally published 1857), 511.
[10] There is now a substantial literature on this, of which the starting-points were Paul E. Lovejoy and Stephen Baier, 'The desert-side economy of the central Sudan', *International Journal of African Historical Studies* 8 (1975), 551-81, and Lovejoy, *Caravans of Kola: The Hausa Kola Trade, 1700-1900* (Zaria, 1980).
[11] Paul E. Lovejoy, 'Plantations in the economy of the Sokoto Caliphate', *Journal of African History* 19 (1978), 341-68; Gareth Austin, 'Between abolition and jihad, from abolition to civil war and colonisation: the response of the

also to factor markets. The sources of both labour and basic natural resources remained almost exclusively African to the end of the period; as did much – and in most of Africa, most – of the sources of both working and fixed capital.

Factor ratios

Before discussing the forms of property and transactions in land, capital and labour, it is necessary to summarise the factor ratios. Throughout the period, West Africa as a whole – and in most localities too - was characterised by an abundance of natural resources in relation to labour and capital.[12] The first reasonably accurate censuses of population come only from (arguably) the 1920s, and even then probably marginally undercounted. All estimates of the region's population for earlier years are backward projections, therefore dependent on their authors' assumptions about natural growth rate; though for the beginning of the twentieth century they are informed by the very early colonial censuses, which may be considered to be accurate enough for certain areas but not others. Hopkins's figure of about 36 million for 1910 still seems as good as any. By 1960 the population had approximately doubled.[13] Even so, the ratio of population to *agricultural* land was estimated to be still only 27 as late as 1959.[14] A rare attempt to quantify land use, which examined a relatively highly populated area – around the Asante capital of Kumasi - in 1907 found that a substantial proportion of the forest was left outside the crop rotation, which itself was on a long (probably 15-20 year plus) cycle.[15] Though there were 'islands' of intensive cultivation where people had literally taken to the hills or swamps to avoid slave raiding, the general pattern is very clear: the expansion of agricultural output was not constrained by a physical shortage of land. Conversely, labour was scarce during the busy periods of the agricultural year. It is necessary to insist, however, that it was underemployed – or at least had a low opportunity cost – during the heart of the dry season, in between the end of the harvest and the beginning of land clearance for the next planting.[16]

Meanwhile, fixed capital formation mainly took the form of the application of labour using simple tools (to make looms and smelters, dig gold pits, etc) and the long-term possibilities were constrained by the incongrueity of many imported technologies with the local environment.[17] The disease environment imposed a particular severe constraint on the use of large animals: endemic trypanosomiasis prevented the economic use of large animals in the forest zone and in much of the savanna, meaning that in those areas loads had to be carried on people's heads until the advent of mechanised transport. The economies of early modern West Africa could be described as semi-monetised: trade within and between the various markets

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Asante state and economy to the ending of the Atlantic slave trade, 1807-1896', in Robin Law (ed.), *From Slave Trade to >Legitimate=Commerce: the Commercial Transition in Nineteenth-Century West Africa* (Cambridge, 1995), 93-118; John E. Flint and E. Anne McDoughall, 'Economic change in West Africa in the nineteenth century', in J. F. A. Ajayi and M. Crowder (eds), *History of West Africa*, vol II (2nd edn, Harlow, 1987), 379-402.

[12] The points in this paragraph are explored in much greater depth in a paper I am preparing for submission, 'Resources and strategies south of the Sahara: Long-term dynamics of African economic development, 1500-2000'.

[13] Hopkins, *Economic History*, 15, 224.

[14] H. W. Singer, 'Demographic factors in Subsaharan economic development', in Melville J. Herskovits and Mitchell Harwitz (eds), *Economic Transition in Africa* (London, 1964), Table 11.1.

[15] Marion Johnson, 'Elephants for want of towns', in Christopher Fyfe and David MacMaster (eds), *African Historical Demography* II (Edinburgh, 1981), 317-18, 329-30; see further, Gareth Austin, *Labour, Land and Capital in Ghana: From Slavery to Free Labour in Asante, 1807-1956* (Rochester NY, 2005), 60-64.

[16] Philip D. Curtin, 'The lure of Bambuk gold', *Journal of African History* 14 (1973), 623-31; Austin, *Labour, Land and Capital in Ghana*, 73-7. This developed for Sub-Saharan Africa generally in the paper cited in N. 11.

[17] Hopkins, *Economic History*; further, the paper cited in N.11.

within West Africa operated mainly using commodity currencies. Not surprisingly in the context of this, and of the generally low level of income per head, not only fixed but also liquid capital was scarce.[18]

Land

Cultivable land was not only relatively abundant physically, usually it was also easily and extremely cheaply accessible in institutional terms. This point is perhaps most pertinently conveyed by drawing a contrast with what was to happen in the early and middle twentieth century, when and where cultivation rights became economically valuable under the stimulus of larger populations and greatly expanded export markets. Then immigrant farmers would be allowed to rent land, but not to buy it; and the newcomers and their descendants would retain indefinitely the status of strangers. In contrast, in the precolonial era landowning authorities at all levels, from kings to household heads, wanted more people with whom to subdue nature and, if necessary, their neighbours; providing the newcomers respected their authority. For household heads this meant acquiring slaves and pawns, as we will see; for the heads of villages or provincial chiefdoms or independent states, it meant encouraging strangers to settle, to become subjects, by giving them land indefinitely in return for merely token payments that signified their acceptance that the land itself (as opposed to the use rights) ultimately belonged to the original owner.[19] Whether you were a stranger or a local, man or woman, free or even slave, in most times and places in early modern West Africa you could clear and plant land belonging to the household, clan or chief without paying economically sums in rent.

The landowner would normally insist or retaining ownership of the land itself, partly for political reasons (to claim authority, at least in name, over all residents), and partly in order to charge genuine rentals or royalties for the exploitation of any commercially-valuable natural resources extracted from them. In the early modern period such resources were usually limited to minerals (notably gold, in parts of what are now Mali and Ghana) or wild kola nuts (as in the Asante-Kano trade mentioned earlier) or rubber (West Africans, for example in what is now Guinea, participated in the world rubber frenzy of the late nineteenth century; without the intervention of the colonial coercion associated with Leopold's Congo).[20]

In this setting, we do not need to invoke cultural resistance to land alienation to explain why markets in land were rare. Indeed, where a political or economic imperative for land alienation occurred, religious objections to the transfer of lands seem to have been overridden or bypassed. The emergence of an export market for palm oil in the early nineteenth century elicited a widespread supply response on the Gold Coast (southern Ghana). Among the societies involved were the Krobo who lived on and around 'Krobo Mountain', where their predecessors had taken armed refuge against the risk of slave raids. Lacking sufficient land of their own on which to create palm plantations, they succeeded in purchasing it outright from their Akyem neighbours (and they retained it through later legal challenges, during and since the colonial

[18] Gareth Austin, 'Indigenous credit institutions in West Africa, c.1750-1960=, in Austin and Kaoru Sugihara (eds), *Local Suppliers of Credit in the Third World, 1750-1960* (Basingstoke, 1993), 93-159.
[19] Gareth Austin, 'Sub-Saharan Africa: Land rights and ethno-national consciousness in historically land-abundant economies' in Stanley L. Engerman and Jacob Metzer (eds), *Land Rights, Ethno-Nationality, and Sovereignty in History* (London, 2004), 276-93.
[20] Emily Lynn Osborn, '"Rubber fever", commerce and French colonial rule in Upper Guinée, 1890-1913', *Journal of African History* 45: 3 (2004), 445-65.

era).[21] But it is essential to emphasise how rarely the issue of buying land arose. A further well-documented exception turns out to prove the rule. In eighteenth and nineteenth century Asante there were many cases of lands being transferred in settlement of sums of money owed, usually resulting from fines imposed by the Asantehene (king)'s courts. Given that the transfers were driven by the state rather than by scarcity, it would be misleading to regard them as a real market; and in any case the value of the lands concerned was fiscal (the right to charge for a proportion of the monetary value of gold or kola nuts extracted from them) and demographic/political (the transfer of the land was associated with the transfer of allegiance of the inhabitants to the new landowner).[22] This is in contrast to the Krobos, who were buying land precisely as a factor of production, in a situation in which, untypically for the period, land was relatively scarce.

Capital

As would be expected from the scarcity of capital, it had a price, though in the case of smaller sums there was overlap between lending for producer and for consumer purposes which makes it difficult to distinguish raising capital from borrowing to pay, for example, for a funeral. 'Money does not go out to earn its livelihood and come back empty-handed' was an Asante saying[23] which affirmed, perhaps with some irony, the existence of interest. Statements of interest would be hard to find in the muslim areas, which were greatly expanded – to cover most of the savanna - from the 1740s to the late nineteenth century by a series of popular movements and revolutionary and *jihadist* uprisings. As often elsewhere in the Islamic world, however, instruments existed for bypassing the prohibition on interest. Anyone who had money to spare seems to have been a potential lender or, in some cases, direct investor in a particular enterprise (for example, a trading expedition or a slave raid).[24] Security could be provided in two main ways, which were not mutually exclusively. One method was for the loan payments to be guaranteed by the word of an individual patron or by the borrower's kin: in Akan society, for example, in this period a loan between individuals was ultimately a deal between the families of the individuals concerned.[25] The other method was to provide collateral. With land lacking in economic value, it is not surprising that lending on land was rare: the best-documented exception being in Lagos just prior to its annexation by Britain in 1861, a move which was in part a response to petitions by both European and African merchants, who wanted the British to provide what the Lagos chiefs would not, namely a system of land registration to make it easier to mortgage real property in order to finance trade.[26] Rather than mortgages of land, in most of the region substantial loans were secured on pawns, physical or human: precious ornaments or a human dependent (a junior kinsman or kinswoman, or in some societies perhaps a slave). The pawn would be returned by the creditor when the debt payments were complete. In the case of a

[21] Marion Johnson, 'Migrant's progress' Part I, *Bulletin of the Ghana Geographical Association*, 9 (1964), 4-27; Louis Wilson, *The Krobo People of Ghana to 1892* (Athens OH, 1991); Veit Arlt, 'Christianity, Imperialism and Culture: The Expansion of the two Krobo States, c.1830-1930', PhD dissertation: University of Basel, 2005. For a different perspective see Robert Addo-Fening, ''Akyem Abuakwa: a study of the impact of missionary activity and colonial rule on a traditional state' (PhD thesis, University of Ghana, 1980).
[22] Austin, *Labour, Land and Capital in Ghana*, 100-102.
[23] Austin, *Labour, Land and Capital in Ghana*, 138.
[24] For an example of a slave raid on the scale of a major army invasion which was financed by lenders expecting returns, see Austin, *Labour, Land and Capital in Ghana*, 138-40.
[25] Austin, *Labour, Land and Capital in Ghana*, 142-3.
[26] A. G. Hopkins, 'Property rights and empire-building: Britain's annexation of Lagos, 1861', *Journal of Economic History* 40 (1980), 777-98.

human pawn, his or her labour seems to have been regarded as sufficient interest in itself in most West African societies;[27] though in Asante, loans secured on pawns still bore interest, just at a lower rate than unsecured loans.[28]

Did all these loans amount to a market, or to a vast range of discrete bargains between parties who would not have had the information to offer or receive competing terms from others? A mass of individual borrower-lender relationships would not meet Cournot's criterion of a market as a space in which there is a tendency for prices to be equalised through competition. In principle we could test this by measuring price differentials and examining contemporary observations of how specific deals were transacted, and descriptions of the institutions involved. I am not sure that we will ever have the data for a rigorous quantitative examination of the interest applied in lots of individual transactions, other than in loans between Europeans and Africans (which were not always from the former to the latter).[29] There is scope for a tabulation of observations of interest rates said to prevail in particular areas at particular times. This has yet to be done. However, I think the following propositions can be made. First, there are indeed some extant contemporary observations about usual interest rates in specific societies or geographical areas. This itself suggests that each party to a loan (or to an equity investment in a trading venture) would have a sense of the opportunity cost of money, and of the possibility of alternative partners. Second, there is evidence – albeit, typically based on few observations – that interest rates altered over time:[30] indicating that they were not fixed by custom or law. Third, the networks of regular market places and, the ethnic cum religious diasporas who controlled most of the very long-distance, trans-polity trades within the region (the various Juula networks from Burkina Faso and Ivory Coast westward, the various Hausa networks from that operated from Ghana and Niger eastward), provided conditions in which information asymmetries could be minimised and trust developed, facilitating credit. Fourth, on the other hand, a key limitation to these opportunities for moving money to the highest bidder was the absence of intermediation. It seems clear that there were cases of people depositing savings with others for safe keeping; but, as Law comments for the kingdom of Dahomey, it is not at all clear that the further step was taken, of lending such funds out to third parties (let alone with payment of interest to the depositors).[31] As far as we know so far, even in the muslim commercial cities like Kano (with their literate scholars and merchants) there was nothing to parallel the informal network of intermediaries which, according to Hoffman and co-authors, linked lenders and borrowers in eighteenth-century Paris.[32] Further research may qualify this picture; the existence of individual firms providing an equivalent to the service provided by the Paris notaries is not inconceivable in the Muslim commercial world surrounding the Sahara – one in which, for example, sums could be transferred by written promissory note across hundreds of miles, both within West Africa and across the desert.[33]

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[27] Toyin Falola and Paul E. Lovejoy (eds), *Pawnship in Africa: Debt Bondage in Historical Perspective* (Boulder, 1994).

[28] Austin, *Labour, Land and Capital in Ghana*, 144-5.

[29] On commercial credit provided to Europeans by Africans see, esp.., Robin Law, 'Finance and credit in pre-colonial Dahomey', in Endre Stiansen and Jane I. Guyer (eds), *Credit, Currencies and Culture: African Financial Institutions in Historical Perspective* (Uppsala, 1999), 21-3.

[30] E.g. Joseph Raymond LaTorre, 'Wealth Surpasses Everything: an Economic History of Asante, 1750-1874' (Ph.D., University of California, Berkeley, 1978), 194. LaTorre argues that rates declined over the nineteenth century in Asante, which is consistent with the evidence of general accumulation of wealth during that period.

[31] Law, 'Finance and credit', 31-2.

[32] Philip T.Hoffman, Gilles Postel-Vinay and Jean-Laurent Rosenthal, 'Information and economic history: how the credit market in old regime Paris forces us to rethink the transition to capitalism', *American Historical Review* 104 (1999), 69-94.

[33] Austin, 'Indigenous credit institutions', 104-5; Law, 'Finance and credit', 28-9.

Finally on capital it should be noted that, in some West African societies, at least in the latter part of the period, there existed an institution providing a non-market means of arranging finance, besides resort to kin or to a patron. This was the rotating credit society, which has been documented for the twentieth century in various parts of West Africa. The best documented example of such an institution before the colonial period is the Yoruba *esusu* clubs, of which there were said to be 300 in a single town in 1861,[34] and which were spread to Sierra Leone by freed Yoruba slaves. I have argued before, however, that it is necessary to recognise that 'ROCSAS' are not in any meaningful sense a 'traditional' institution; rather they have specific histories, and in some places their existence was ended, apparently because of principal-agent problems. With ROCSAS too, it is unclear how much of the lending should be regarded as for production rather than consumption; though certainly loans to acquire trade goods, for example, were considered a legitimate use of the funds.[35]

Labour

According to Mungo Park, describing his travels in Senegambia and what is now Mali in the 1790s, 'Hired servants, by which I mean persons of free condition, voluntarily working for pay, are unknown in Africa ...'[36] The payment of wages to Africans by Africans was not unknown in early modern West Africa, but it was vanishingly rare. There were enough instances to confirm Hopkins's argument that it was not culturally unthinkable, but (apart from the material rewards that might be given to groups of youths for casual help) these were usually in the European enclaves. For the kingdom of Asante, for instance, I have been unable to find any proof that long-term hiring of labour (e.g. for a season, let alone a year) happened at all before the colonial occupation (and the growth of cocoa farming).

Rather, the recruitment of labour from outside the family relied on the practice or threat of coercion: in the form of pawning (as noted above), sometimes *corvée*, and above all, slavery. Of all the West African institutions mentioned in this paper, the various indigenous forms of slavery have been the subject of by far the most research and debate. In the 1960s and 1970s it was commonly held that African forms of slavery were so different from New World slavery as not to fit usual scholarly understandings of the term; that slavery was a social rather than an economic institution; and that it was, anyway, relatively uncommon in West Africa at least before the Atlantic slave trade.[37] Research published since then has revised this analysis in three major ways.

First, slavery in African societies was indeed different from that in the New World, primarily in that slave status was only partly inherited, and then in some respects to a diminishing extent. In other words, the descendants of slaves were absorbed and integrated into their masters' society, though the process could take two or three generations, and still be incomplete (especially where slave descent debarred one from chiefly office). Even so, the assimilative aspect of African slavery itself obliged slave owners to keep trying to acquire captives, thus reproducing the demand for slaves.

[34] John Iliffe, *The African Poor: A History* (Cambridge, 1987), 87.
[35] Austin, 'Indigenous credit institutions'.
[36] Mungo Park, *Travels into the Interior Dističts of* Africa (London, 1954; 1st edn, 1799), 219.
[37] Walter Rodney, 'Slavery and other forms of social oppression on the Upper Guinea coast in the context of the Atlantic slave trade', *Journal of African History* 7: 4 (1966), 431-43; Igor Kopytoff and Suzanne Miers, 'African Aslavery@ as an institution of marginality', in S. Miers and I. Kopytoff (eds), *Slavery in Africa: Historical and Anthropological Perspectives* (Madison, 1977).

Second, different categories of slave varied in the ways in which they were valuable to their owners. In matrilineal societies, such as the Akan (including Asante), free men might marry women in the hope of having children who could inherit from them, unlike their sons by free mothers.[38] This helps to explain why African buyers of slaves all over West Africa were willing to pay more for female than for male slaves.[39] But it is clear that both women and men were valued for their productive labour, albeit to different extents.[40]

Third, from monographic research on various areas of West Africa it is clear that the incidence of slave holding increased both during the Atlantic slave trade and during the phase of 'legitimate' commerce that followed.[41] This is not surprising: slaves were in demand inside as well as outside the region, and the mechanisms by which they were obtained, moved away from the places of origin, and sold to distant strangers was basically the same whether the latter were across the ocean or a hundred kilometres away. The decline in European-American demand for slaves in the early nineteenth century, following British withdrawal from the trade from 1 January 1808, made slaves cheaper for West African buyers. Conversely, the substantial recovery of slave prices that followed (Table 2) reflected the increasing demand for slaves to produce palm oil, kola nuts, raw cotton or other 'legitimate' commodities (whether the produce was for the maritime or intra-regional markets).[42] While this relatively late expansion of slave numbers confirms the view that the incidence was not necessarily nearly so high at the time the Europeans started buying slaves on the coast, there is no dispute that slavery there predated the European arrival (the Portuguese were offered captives to buy in the Kingdom of Benin, and actually had a trade re-selling them on the Gold Coast). Again, the nineteenth-century expansion of slave numbers was clearly economically motivated: the economic uses of these slaves, and the rise in the effective demand for extra-familial labour, is documented in the case-studies;[43] whereas there is no evidence of, for example, a change in inheritance practices that would have hugely expanded the 'social' demand for slaves. Equally significant, where slaves were used in relatively large concentrations before the Atlantic slave trade, that too was in order to produce goods for the market: the major instance being the slave estates established by or in the sixteenth century at many sites along the Niger river inside the Songhay empire (mostly in what is now Mali), which produced grain for the market, upon which the major political and religious centres of empire depended.[44] In West Africa, as was often true elsewhere in the world, slavery (as distinct from serfdom) was a form of coercion highly associated with the market.

[38] Emmanuel Terray, 'La captivité dans le royaume Abron du Gyaman', in Claude Meillassoux (ed.), *L=Esclavage en Afrique précoloniale* (Paris, 1975), 389-453.

[39] Paul E. Lovejoy and David Richardson, 'Competing markets for male and female slaves: prices in the interior of West Africa, 1780-1850', *International Journal of African Historical Studies* 28: 2 (1995), 261-94.

[40] Austin, *Labour, Land and Capital in Ghana*, 174-80.

[41] For overviews see Lovejoy, *Transformations in Slavery*; Manning, Patrick, *Slavery and African Life* (Cambridge, 1990); also Robin Law (ed.), *From Slave Trade to >Legitimate= Commerce: the Commercial Transition in Nineteenth-Century West Africa* (Cambridge, 1995).

[42] Manning, *Slavery and African* Life; David Eltis, *The Rise of African Slavery in the Americas* (Cambridge, 2000); Lovejoy and Richardson, 'Competing markets for male and female slaves'; 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); Austin, 'Between abolition an *jihad*'.

[43] See Law, *Between Abolition and Jihad* (in which Susan Martin's study of the Ngwa Igbo records an exception, where slavery did not apparently rise; in contrast to the importance of slavery to the Igbo economy generally by the end of the nineteenth century, described in Don Ohadike, '"When the slaves left, the owners wept": entrepreneurs and emancipation among the Igbo people', in Suzanne Miers and Martin A. Klein (eds), *Slavery and Colonial Rule in Africa* (London, 1999).

[44] Lovejoy provides a synthesis in *Transformations in Slavery*…; and earlier, in Paul E. Lovejoy, 'The internal trade of West Africa to 1800', in J. F. A. Ajayi and Michael Crowder (eds), *History of West Africa*, vol I, 3rd edn (Harlow, 1985), 667ff.

Table 2. Real Prices of Slaves in West Africa, 1783-1830

Period	Price (£, 1783-7 = 100)
1783-1787	15.6
1788-1792	19.1
1793-1797	17.5
1798-1802	23.3
1803-1807	25.3
1808-1814	14.2
1805-1820	7.7
1821-1825	11.0
1826-1830	17.0

*interpolated prices

Source: 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).

Estimating slave numbers in precolonial African societies presents related conceptual and source problems. Were foreign observers, who are the usual source of such estimates, able to distinguish a slave from a 'free' subject? In Akan societies, such as Asante, yes: at least in that the majority of first-generation slaves there were distinguished from the rest of the population by ritual scars on their faces (from their places of origin in the savanna north of the Akan forests) and their very limited capacity to speak the Akan language.[45] On the other hand, the children of slaves – usually, of free fathers and slave mothers – had a still subordinate but slightly improved status, and could speak the language and were not distinguished by ritual scars from the free population. Like their mothers, they were obliged to provide labour for their masters, but they are impossible to count. The most systematic data for the incidence of slavery in West Africa come from French censuses/surveys carried out in 1894 and 1904 (by the latter date, many slaves had left on their own initiative). Martin Klein has examined this source in detail, and estimates that for French West Africa as a whole, about 30 per cent of the population were slaves at the turn of the century.[46]

So what accounts for this reliance on slave (and pawn) rather than free wage labour? Like Hopkins, I have argued that this was a response to the prevailing 'Nieboer' conditions. In this market-oriented but land-abundant, capital-scarce economy in which economies of scale were generally lacking, there were three possibilities for a principal seeking to expand output beyond that possible with his or her own labour, and that of free family members. One was to settle for the family unit: and we have at least one relatively well documented case of a society, the politically decentralised Serer in Senegal, who not only resisted slave raiders but also seem not to have practiced slavery themselves.[47] But in most of the region, responding to the opportunities to expand the output of goods for the market when they arose, that option was rejected, if it was considered. The second possibility is the one emphasised by Hopkins, who sees wage labour as

[45] As Basel missionaries reported (Austin, *Labour, Land and Capital in Ghana*, 115; on the size of the slave labour-force in Asante, see ibid., 125-6).
[46] Martin A. Klein, *Slavery and Colonial Rule in French West Africa* (Cambridge, 1998), esp. Appendix 1, 252-6.
[47] James Searing, '"No kings, no lords, no slaves": ethnicity and religion among the Sereer-Safèn of Western Bawol, 1700-1914', *Journal of African History* 43: 2 (2002), 407-30.

having been a real alternative to slavery.[48] The third possibility is that the Domar version of the Nieboer hypothesis applied: that wage labour, even if it was a cultural possibility, was not an economic option because there was no wage rate which it would have been mutually profitable for an employer to offer and for a worker to accept. Elsewhere I have compared the latter two scenarios for the Asante case, using both quantitative and qualitative sources, which both point to the same conclusion: that there, at least, the Domar version applies. Slaves could be acquired typically for the product of only a few months extra-subsistence labour (for example in gold mining: see Table 3 at the end of this paper). When wage labour first appeared in Asante, at the beginning of the colonial period, the daily rate for unskilled labour was almost exactly the same as the contemporary estimates of the average daily winnings of a gold digger (as one would expect in a competitive labour market). Thus a principal seeking additional labourers had to resort to buying slaves or lending on human pawns.[49] It remains to be investigated whether the Domar or Hopkins model applies in other West African societies. One isolated observation that supports the former comes from Mungo Park. Staying at Kamalia, a small town just west of Bamako, for several months in 1796-7, he gave an account of gold mining among the Manding: 'Generally speaking, if a person uses common diligence in a proper soil, it is supposed that as much gold may be collected by him in the course of the dry season as is equal to the value of two slaves.'[50]

The slave trade within West Africa was largely a market in labour, thus a factor market. By the late eighteenth and early nineteenth century, at least – probably before, but data are lacking – it appears to have been a relatively integrated one. Lovejoy and Richardson have combined 30 observations of slave prices in the savanna interior of West Africa, from 1780 to 1850, closer to the terminals of the Saharan than to those of the Atlantic export trades. They comment that the price differentials are relatively low, within West Africa and between prices in the internal and in the export termini.[51] It has to be said that the data are too few to be conclusive: in their tables, there are only three years for which there are as many as three observations for the same year, and as they emphasise, the sources give variable attention to the 'quality' of the slaves concerned. But their research points the way forward: to combining observations from the savanna with more from the forest, for example, and unearthing more observations from previously unpublished or unconsidered documentation. In principle, it would be surprising if there was not a considerable degree of price convergence given that the human commodities were mobile, and were indeed forced to move along intersecting networks of routes and markets across West Africa.

But was this coerced labour market 'efficient', for the buyers and sellers as opposed to their victims? It is worth looking at some comparative evidence, that of the evolution of the volume of slaves exported to the Atlantic market, in relation to real prices. The best evidence available is Richardson's series for the British slave trade in the eighteenth century (I will bring a graph to the conference).[52] For most of the period the supply of slaves appears to have responded positively to the rises in the real price: though the elasticity was low, as one would expect given that it was based on raiding and warfare, and subject to resistance and flight. In the last twenty years of the British trade, however, real prices rose steeply while the volume of purchases declined. As Richardson suggests, this may reflect rising supply costs, as the slaving 'frontier' was pushed further from the coast. Ultimately, it seems likely in principle that something similar

[48] Hopkins, *Economic History of West Africa*, 23-7.
[49] Austin, *Labour, Land and Capital in Ghana*, 155-70.
[50] Park, *Travels*, 232.
[51] Lovejoy and Richardson, 'Competing markets'.
[52] David Richardson, 'Prices for slaves in west and west-central Africa: towards an annual series, 1698-1807', *Bulletin of Economic Research* 43: 1 (1991), 21-56.

would have happened with the internal trade. But at the time of colonisation in the 1890s – when the slave trade, though not slavery, was pretty effectively suppressed by colonial intervention – the internal trade was flourishing (indeed, in Ghana was at what seems to have been an all time high, fuelled by large-scale captures from Sekou Toure's wars).[53] The external costs of the trade, whatever the ultimate destination of the slaves, were grievously high: not only for the captives, but also for the politically decentralised societies which were often raided (though not without resistance and refuge), and for the region as a whole in the sense that slave trading and the use of slaves in production provided a material incentive or reinforcement for militaristic ruling elites.

Governing the factor markets: state and private solutions

Pre-colonial West Africa was characterised by a changing mixture of polities of different levels of centralisation, from independent village confederacies to large kingdoms and tributary empires. This is often said, plausibly, to be itself partly the result of the abundance of land, which made it hard for rulers to tie down subjects and tax them;[54] which in turn limited their coercive and administrative capacity, denying them the option of making land artificially scarce. In this context, it is not surprising that markets were often controlled by, or operated through, private arrangements.

The most celebrated such institution was the ethnic-cum-religious trading diaspora, mentioned above, which provided what Cohen called a 'moral community', in which problems of contracting over long distances, and inside, outside and across political and cultural boundaries, could be solved.[55] It seems a fair assumption that the trading diasporas made possible larger volumes of transactions than would otherwise have been the case. But I have suggested elsewhere that there were some social costs, in the form of monopoly rents on certain routes.[56] Again, Lovejoy and Richardson have documented the role of a hostage system in facilitating contracting between African sellers and European buyers of slaves at Old Calabar.[57] But their more recent study of the rival slave port of Bonny argues that the system there, by which the local ruler regulated the trade and ensured that bargains were kept, appears to have been more successful: Bonny steadily outdistancing its competitor in the volume of trade it conducted.[58] Meanwhile – or rather, c.1838 – the Asante state is said to have suppressed the practice of *panyarring*, the kidnapping of a debtor's relatives or neighbours in order to force repayment. Conversely, the practice revived when the Asante government's authority was weakened by an incipient civil war.[59] On the other hand, it seems likely that the kings of Dahomey and Asante, jealous of purely private associations, also prevented or repressed the adoption of rotating credit societies in their realms.[60]

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[53] Austin, *Labour, Land and Capital in Ghana*.
[54] E.g. Jeffrey Herbst, *States and Power in Africa: Comparative Lessons in Authority and Control* (Princeton, 2000).
[55] Abner Cohen, >Cultural strategies in the organization of trading diasporas', in Claude Meillassoux (ed.), *The Development of Indigenous Trade and Markets in West Africa* (London, 1971), 266-81. For a historical introduction see Philip D. Curtin, 'Africa: traders and trade communities' in his *Cross-Cultural Trade in World History* (Cambridge, 1984).
[56] Austin, 'Indigenous credit institutions'; 'African business in nineteenth-century West Africa', in Alusine Jalloh and Toyin Falola (eds), *Black Business and Economic* Power (Rochester NY, 2002), 114-44.
[57] Paul E. Lovejoy and David Richardson, 'Trust, pawnship, and Atlantic history: the institutional foundations of the Old Calabar slave trade', *American Historical Review* 104: 2 (1999), 33-55.
[58] Paul E. Lovejoy and David Richardson, '"This horrid hole": royal authority, commerce and credit at bonny 1690-1840', *Journal of African History* 44: 3 (2004), 363-92.
[59] Austin, *Labour, Land and Capital in Ghana*, 141-2.
[60] Law, 'Finance and credit', 34; Austin, *Labour, Land and Capital in Ghana*, 138.

Given its characteristic military power, the state's most important interventions in factor markets were probably its participation in the capture of slaves, its protection of (and often again, participation in) slave raiding, and its enforcement of slave status internally. It should be said that all things could be found also in politically decentralised societies. Indeed, one of the most notorious sources of slaves for the Atlantic trade in the eighteenth century was southeast Nigeria. There the small Igbo polities settled their disputes at the shrine of Aro-Chukwu, whose priests effectively condemned convicts to captivity and exportation. Yet in the context of slavery within West Africa, it is very plausible, as Terray suggested, that the larger and more centralised polities were able to enforce slave status more harshly, and with more gradual remission over succeeding generations, than in 'stateless' communities and micro states.[61] A major case which fits this is the disintegration of the slave estates which grew millet for the markets of the Niger Bend tends: after the Songhay empire fell to the Moroccan invasion of 1591, the power to keep this slave-based agricultural order together gradually disintegrated, and the towns, unable to feed themselves, experienced declining populations.[62]

Conclusion

West African history offers practitioners of comparative history patterns and paths different from those often regarded, from Western experience, as characteristic of the evolution of factor markets. While wages and land sales were not unknown in the early modern period, and lending at interest was common, the main means of recruiting labour from outside the family was the acquisition of labour by various forms of coercion, notably debt bondage and, especially, slavery; tendencies towards a growth of land sales and leases seem to have been rare and late; and financial intermediation appears to have been very largely absent. This is not to say that these arrangements were necessarily 'inefficient'. They can all be seen as rational responses to prevailing conditions. These institutions also permitted some flexibility with respect to changing economic conditions. For instance, when and where land eventually acquired a scarcity value, cultivation rights came to be bought and sold, mortgaged and pledged, taking advantage (at least in Asante) of the 'traditional' distinction between the ownership of the soil and the ownership of what stood on it: such that the absence of registered titles to the land did not prevent farmers from enjoying secure ownership of their farms, and acting on that security by investing heavily in cocoa planting. Again, in Asante the same rules and vocabulary used for debt bondage were smoothly adapted to the pledging of cocoa trees in the colonial era.[63]

Without slavery, it is hard to envisage the export economies of the nineteenth (and early twentieth) centuries growing as fast as they did. Slavery in general was not incompatible with economic growth, as parts of the New World showed. But whereas the plantation economies in the Americas were able to deploy African slaves avoiding the external costs entailed in their initial supply, West Africa as a whole suffered those externalities in full. This surely constrained prospects for long-term economic growth within the same institutional matrix, despite the expansions noted in various parts of the region during the precolonial nineteenth century.[64]

Finally, certain propositions can be advanced about the volume and price of the factors themselves during the early period. On land, the beginnings of a market can be found in one part of Ghana during the early to mid-nineteenth century, but overall the demands for cultivation rights had to await much greater expansion before land markets would emerge. On capital, one

[61] Terray, 'La captivité'.
[62] Lovejoy, 'Internal trade'.
[63] Austin, *Labour, Land and Capital in Ghana*.
[64] Austin, 'African business'.

could argue that the acquisition of increasing numbers of slaves represented a kind of investment. But the one major change of the period as a whole was the increasing use of coerced labour, especially slaves; and the expansion of the markets through which most of the captives reached their eventual owners. That offered the basis for one kind of economic growth. It is arguable that slaves and pawns, by providing much of the labour with which their masters responded to the expansion of export markets for agricultural produce, contributed to bringing about a situation – in the early colonial period – in which masters at last possessed the cash income to afford to become employers of free labour.

APPENDIX: Table 3. Days of Gold Mining Required to Obtain the Price of a Slave in Nineteenth-Century Asante

Source: Austin, *Labour, Land and Capital in Ghana*, 164 (Table 8.1. It was calculated from ibid., 128-34 (Appendix: in which details of the sources are given), assuming receipts from gold mining averaged 1 shilling (£0.05) per day.

Year	**Mining >effort-price= of slave (days)**	**Comment/Source**
1823	30	In Kumasi (*Royal Gold Coast Gazette*)
1836	120-160	Kumasi (or coast?) (LaTorre [MK 4005])
1837-42	170	Man. Paid by Dutch recruiter in Kumasi (LaTorre [NBKG 519])
Pre-1867	195.8	Boy of 11+, sold in Asante(?) (>Mose=)
1867-74	80	Young Wasa girl, in Kumasi (NAGK)
1871	155	Man, Kumasi (Ramseyer and Kühne [A])
1872	99	Man bought in Kumasi by Ramseyer and Kühne (Ramseyer and Kühne [B])
Pre-1874	36-70	(Ramseyer and Kühne [C])
Pre-1874	<36	In northern markets (Brackenbury)
Pre-1874	10-15 144	Man, Salaga In Asante (D. Asante)
Pre-1874	22.5-50 35-70	Man, Salaga. Woman, Salaga (Rattray)
1877	30-40 19.6-78.4	Average, Salaga (Opoku [Jenkins]) Range, Salaga Opoku ([Johnson])
1884	40-60	Average for >strong and healthy slave=, Kintampo (Kirby)
1887	120 70	Adult male or female, Salaga Boy or girl, Salaga (Firminger)
1888	137 68.6	Man, Salaga 10-year old girl (Von Francois)
1889	30	>tall muscular= man, market near

	20-50	Bontuku Range, Salaga (R.A. Freeman)
1889	78.4-118	>grown slave=, Salaga (Wolf)
1892	60-140	Salaga (Ferguson)
1894	78.4-117.4	Past, not necessarily present price range, >depending on his age and build=, Salaga (Klose)
1895-6	140	Wuratura, girl (ARG)
1897-8	50-80	Salaga (PRO)
Late 19th century	50-80	Woman at Asokore, Asante (Fortes)
Late 19th century	negligible-144	At Edubiase, Asante (Daaku)
Late 19th century	31.5-94.5 81	Salaga In Asante (LaTorre [fieldwork])
Late 19th century	49.5-121.5 58.5-72 58.5-99 58.4-148.4	Salaga (LaTorre [UNESCO Gonja])