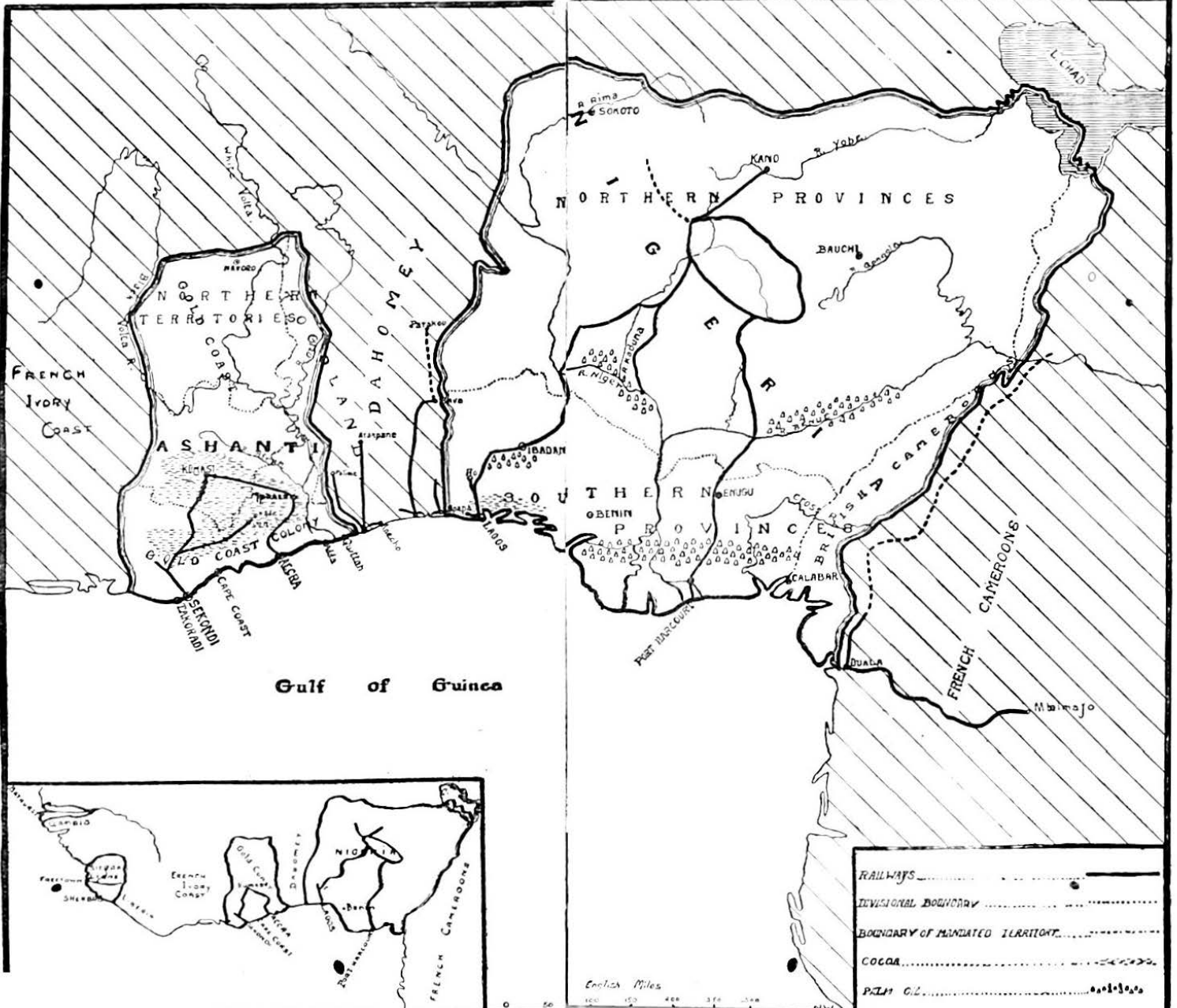


# BRITISH WEST AFRICA



Gulf of Guinea

- RAILWAYS .....
- DIVISIONAL BOUNDARY .....
- BOUNDARY OF MANDATED TERRITORY .....
- COCOA .....
- PALM OIL .....

English Miles  
 0 50 100 150 200 250 300 350 400

*Colonial Series No. IV*

# British Imperialism in West Africa

By Elinor Burns

STUDIES already published in the L.R.D. Colonial Series deal with *East Africa*, *Malaya*, and *China*. Other volumes will include Egypt and Mesopotamia.

1927

The Labour Research Department  
162 Buckingham Palace Road, S.W. 1

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## REFERENCES.

The chief books of reference which have been used in this study of West Africa are as follows. The serial number is given after each reference or quotation so that the source is clear :—

1. Colonial Reports Annual, for the Colonies concerned.
2. A. McPhee. *Economic Revolution in British West Africa.*
3. Sir Frederick Lugard. *The Dual Mandate in British Tropical Africa.*
4. Report of West African Lands Committee. 1908 (Cmd. 5102).
5. Report by the Hon. W. G. A. Ormsby-Gore on his visit to West Africa during the year 1926. (Cmd. 2744).
6. Report on the Amalgamation of Northern and Southern Nigeria, 1920. (Cmd. 468).
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8. Report of Committee on Trade and Taxation in West Africa, 1922. (Cmd. 1600).
9. Reports on Railway Construction in West Africa, 1904 (Cmd. 2325), 1905 (Cmd. 2787) and 1909 (Cmd. 4523).

# British Imperialism in West Africa

## CHAPTER I

### SLAVE TRADING AND CONQUEST

FOR more than three hundred years the west coast of Africa has been a source of wealth for British groups. During the first two hundred years of British contact, the chief object was the capture or barter of slaves, mainly to provide labour power for the British settlers in America and the West Indies. Both of the history book heroes, Drake and Hawkins, took part in slave raids on the West African coast ; and many of the most respectable families of Liverpool first achieved respectability through the wealth acquired in the West African slave trade. In the early stages, landing parties simply carried off the inhabitants ; later, when the coastal area had been depopulated, the slaves were obtained by barter from the native chiefs, in exchange for liquor, beads, cloth, and other British products. The chiefs themselves obtained the slaves by constant raids on neighbouring tribes, and from first to last the most widespread bloodshed and suffering were the means through which the British demand for slaves was satisfied. After they had been secured and shipped, the slaves were shut down in the holds and had to endure such conditions that it was not unusual for only half of the

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shipload to survive the passage across the Atlantic. In *A Tropical Dependency* (p. 339) Lady Lugard says that the death rate on the voyage was 200, 300, or even 400 out of every 500 shipped in Guinea; but even with this wastage the trade was so profitable that ten ships might be seen loading slaves in the same port.

The European slave trade of the seventeenth and eighteenth centuries, as well as the extensive raids of Mohammedan chiefs, who carried off slaves through the Sudan to Arabia, so heavily reduced the population of West Africa that large districts became almost completely uninhabited; and although the trade was nominally abolished in 1807, it was not until the abolition of slavery in the United States in 1864 that the traffic was actually stopped. The scanty population of West Africa and the relative backwardness of production remained as a legacy of the slaving period; and if during the recent period of British rule the population has increased, production is greater and peace and order have been established, it must be remembered that the British are now only building up what they had previously destroyed.

At the present time British West Africa is made up of four separate territories, lying along the Northern Coast of the Gulf of Guinea and divided from each other by large areas most of which are now under French rule.

The British possessions from west to east are the Gambia, a strip of territory stretching inland along the banks of the River Gambia; Sierra Leone; the Gold Coast Colony and Protectorates; and the immense territory of Nigeria, covering the fertile lands on the lower waters of the River Niger and its tributaries. The population and area of these territories is shown below:—

## SLAVE-TRADING AND CONQUEST

	Population.		Area. sq. miles.
	African.	European, &c.	
Gambia,	200,000	200	4,000
Sierra Leone,	1,500,000	800	27,000
Gold Coast, (incl. Togoland)	2,300,000	2,000	92,000
Nigeria, (incl. Cameroons)	19,000,000	4,300	368,000
Total,	23,000,000	7,300	491,000

The whole of British West Africa, therefore with its vast expanse of nearly half a million square miles, has a population only half as large as Britain; and British rule and exploitation is carried out by some 4000 officials, traders, and industrial managers. Each of the four colonies, however, has a separate history, and for the sake of clearness is dealt with separately in the following pages.

### THE GAMBIA

The oldest British possession in West Africa is the Gambia, where early in the 17th century a fort was built in connection with the slave trade on an island in the river. Territory along the banks of the river was seized by the British in the 18th century, and was further extended by an agreement with the French Government in 1889. The Gambia was important in the early period as a strategic point on the sea route from Europe to the further West African areas, and as a centre for trade from the inland country, carried on the river. The port of Bathurst, established a hundred years ago at the mouth of the river, is at the point furthest west on the African coast, and is therefore close to the trade routes to South Africa and South America as well as to West Africa itself; and it is likely in the future to become an important base for air services.

## BRITISH IMPERIALISM IN WEST AFRICA

### SIERRA LEONE

The slave raidings of the 17th and 18th centuries had so heavily reduced the population of the coastal areas that in the last years of the 18th century British interests in West Africa introduced a scheme for re-establishing a labour supply by founding settlements of liberated slaves. A strip of territory was taken over from a native chief in Sierra Leone and the first detachment of ex-slaves of English masters arrived in 1787. British interests in the new area were consolidated in the Sierra Leone Company, which received a charter and exclusive rights to lands acquired from native chiefs. Africans were brought back from Nova Scotia and from Jamaica to increase the labour force, and according to an official report

the number of settlers was still further increased by numerous shiploads of Africans rescued from slave-ships by His Majesty's Navy. (1. *Sierra Leone Report*, 1923).

By 1807 the company had got possession of the whole territory of the Sierra Leone Peninsula and its dependencies, and the next year these possessions were handed over to the British Government and Sierra Leone became a Crown Colony.

The descendants of the ex-slave settlers to-day form the Creole section of the population and have played an important part in British penetration.

British influence was pushed further inland, suppression of tribal wars being used as the opportunity for bringing fresh areas under control, and in 1896 the hinterland which makes up the present territory of Sierra Leone was declared a protectorate.

The following year the natives made a last effort to resist the encroachment of British rule. The immediate cause was an attempt to enforce a hut tax, and risings in which large numbers of

## SLAVE-TRADING AND CONQUEST

natives were involved broke out and continued for many months. These insurrections were finally crushed by a series of military expeditions and the whole district was forced to accept British rule.

### THE GOLD COAST

A permanent British settlement on the Gold Coast was established at the end of the 17th century at Cape Coast Castle by the "Company of Royal Adventurers Trading to Africa," which received a Charter authorising it to administer the settlement. It is interesting to note that in the Treaty of Utrecht (1713) the slave trade interests were strong enough to secure the insertion of a clause giving the British the right to supply slaves to the Spanish colonies in America. The slave trade continued to be the most important part of the British connection with West Africa throughout the 18th century; and after its formal abolition in 1807 the Gold Coast Company was glad to sell out to the Crown. The transaction was completed in 1821, the Gold Coast then being merely, as its name suggests, a narrow strip along the coast. From that time onwards the inland frontiers of the Gold Coast were steadily pushed northwards by a series of small expeditions and campaigns which only terminated when Ashanti and the Northern Territories had become "Protectorates" under British rule. In *The Colonisation of Africa* (p. 109) Sir Harry Johnston illustrates the opening phases of the process:

"In 1824, while on a tour of inspection, the Governor of Sierra Leone, Sir Charles Macarthy, landed at Cape Coast Castle, then the headquarters of British administration on the Gold Coast and unfortunately embarked on a war with the Ashanti without properly organised forces. He was defeated and killed. The Imperial Government carried on the war for three years, finally inflicting defeat on the Ashanti near Accra, which led three years later to a peace."



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With the opening of the Imperialist phase in the latter part of the nineteenth century, the casual and indeterminate forays into the interior gave place to a more systematic policy of annexation throughout West Africa. In 1872 the British Government made an arrangement with the Dutch Government, whereby the Dutch surrendered all claims in West Africa (and Malaya) in return for the surrender of British claims in Java and Sumatra. A series of campaigns against the Ashanti took place in the following years; but it was not until 1896 that the capture of King Prempeh succeeded in crushing the resistance of the people to British rule. Prempeh himself was deported, and was only recently allowed to return; Ashanti was formally declared a British Protectorate. The struggle was not yet over; four years later a new resistance developed, which was crushed by a full-sized military campaign.

The way was then open to British capital to exploit directly the rich gold areas of Ashanti.

In 1900 and 1901, immediately after the last Ashanti war, no less than four thousand mining concessions were acquired by Europeans from local native chiefs, and the industry was organised on capitalist lines.

"By the time the second boom (in gold mining) was in full swing a new source of labour supply had been opened up by the conquest of Ashanti. This new source was the Northern Territories of the Gold Coast, the natives of which, with a little official coaxing, were willing to work in the mines for money wages. A satisfactory feature was that the supply was under British control and could be regulated at will."

(2. McPhee. *Economic Revolution in British West Africa*, p. 55).

From this time the history of the Gold Coast merges in the general story of the exploitation of West Africa by British capitalist groups.

## SLAVE-TRADING AND CONQUEST

### NIGERIA

In 1862 the first British settlement in this area was established at Lagos, "primarily" as Ormsby-Gore says (5. Report, p. 9.) for the purpose of suppressing the slave trade on that coast; though actually it served as a jumping-off ground for steady penetration. Earlier in that century Mungo Park and other explorers had brought back accounts of the Niger territories, and a certain amount of trade had been carried out through the rivers. The historical summary in the Colonial report speaks of

"the efforts of these pioneers, who were supported to a certain extent by the British Government and philanthropists *eager to strangle the slave trade by legitimate traffic.*" (1. *Nigeria Report*, 1925).

After 1862 this "legitimate" and exceedingly profitable traffic was extended, various British merchant firms bartering liquor, firearms, religion, and other products of civilisation for the palm oil and palm kernels collected by the natives in the dense forests which separate the coast from the open highlands of the interior. At the same time, there was considerable competition from the French trading interests, and the policy of establishing definite British control soon came to the front. Under the leadership of Sir George Taubman-Goldie, whose family was interested in the Niger trade, the various British interests were consolidated in 1879 in the United African Company, and rival French interests were bought out.

The Niger territories were then clearly a British sphere of influence, and when Africa was partitioned among the European Powers at the Berlin Conference of 1885 Nigeria was recognised as a British Protectorate.

In 1882 the United African Company carried out a further merger with other British traders on

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that coast, and changed its name to the National African Company, Limited; after the Berlin Conference certain areas between Lagos and the Niger were given into the hands of this company, which became the Royal Niger Company, Chartered and Limited; while the more hazardous areas east of the Niger were formed into a separate administration centred at Calabar, under direct Foreign Office control, first as the Oil Rivers Protectorate and later as the Niger Coast Protectorate. Lagos itself, formerly administered from the Gold Coast, became the Colony and Protectorate of Lagos.

The usual story of penetration followed. Colonial Office reports include such items as

"A Jekri chief, named Nana, defied the Protectorate Government and dealt openly in slaves. He was attacked by a naval and military force and defeated in 1894 after severe fighting. . . . In 1902 the Aro tribe was subdued." (1. *Nigeria Report*, 1923).

Meanwhile, the Royal Niger Company was extending its territory to the west bank of the Niger, and northwards beyond the belt of forest. The privileges of this Company under the Charter of 1886 included the right to levy taxes and to raise a military force. The forces were used to extend the Company's sphere of trade and control, and after the acquisition of the Charter expeditions were sent against various native chiefs with the purpose of securing treaties giving exclusive trading rights to the British Company. The French from Dahomey on the west and the Germans from the Cameroons on the east were trying to establish similar exclusive rights, and in the last years of the 19th century Captain Lugard, who as a military adventurer in East Africa had already rendered good service to British capitalists,

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was employed in leading expeditions on behalf of the Niger Company.

In 1897 it was found that the military forces of the company were not strong enough both to deal with the natives and to resist rival European groups; officers were lent by the War Office for an expedition against the Mohammedan tribes on the middle Niger, and within a few months the African Frontier Force had been established by the War Office (through the action of Joseph Chamberlain, who was then Secretary for the Colonies).

The new troops were no longer financed and controlled by the Company, but they were still recruited from among the natives, and were at first organised by Lugard. The formation of an African Force controlled by the War Office was the prelude to the taking over of the administration of the Niger Company's territories by the British government, as a part of the Chamberlain policy of colonial development. The company had done its pioneer work, it had established interests which had to be "protected" by means of military expeditions which constantly extended the British sphere inland and restricted the claims of French, German, and Dutch traders on the coast.

In 1900 the territories of the company were transferred to the Crown and Lugard became first Governor of the territory. The Niger Company was paid a lump sum of £865,000, which together with the profits it had made enabled it to distribute a bonus of 145 per cent. to its shareholders; and it continued as a private trading concern, with a right to one-half of all mining royalties received by the Government.

The territory formerly administered by the Niger Company in the south was added to the

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Niger Coast Protectorate, which was then named Southern Nigeria ; and the northern area formed a separate administrative unit, Northern Nigeria. These were amalgamated in 1914, and the whole area is now officially styled the Colony and Protectorate of Nigeria.

### ADMINISTRATION

We have seen in previous pages that the administration in the earlier stages involved a succession of military expeditions to enforce British rule over a rapidly extending area. In *West African Affairs*, E. D. Morel described the activity of the local governments at the beginning of the twentieth century :—

“ Punitive expedition follows punitive expedition. We have a war in Ashanti, two expeditions in the Gambia, a big expedition up the Cross River in Southern Nigeria, together with minor affrays, while in Northern Nigeria . . . one punitive expedition succeeds another at an interval of a few weeks at most.”

The policy was to break the power of the native chiefs, and, to quote the Colonial Office reference to the Northern Nigeria chiefs,

As each in turn was conquered a new ruler was appointed who undertook to govern his country according to local law and tradition. (1. *Nigeria Report*, 1925).

These new rulers, powerless in relation to the British authorities, were given power over the tribal organisations, and have been used as the tools of the British Government in collecting taxes, recruiting labour, supervising the Native Courts and generally carrying out British policy, according to “ advice ” given by British Residents, who were stationed throughout the area. This is the typical “ indirect rule ” of the Northern Provinces of Nigeria ; it applies also in the western part of Southern Nigeria, but in the eastern part there are

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apparently no tribal organisations which can be used in this way.

A form of indirect rule is in force in the Gold Coast Colony; in Sierra Leone and the Gambia, British rule is direct, through Provincial and District Commissioners.

In no case have the natives, whether chiefs or peasants, control in any question of government or taxation. The Northern Provinces of Nigeria are under the personal control of the Governor; in the Southern Provinces there is a Legislative Council, composed of the Governor, 26 official members, 3 elected members for Lagos and 1 for Calabar; and 15 nominated unofficial members, selected from nominees of the Chambers of Commerce, banking, shipping and other interests. The Colonial Office report concludes its description with the following remarkable statement:—

There is thus a measure of direct representation of the people by members elected by themselves to the Legislative Council. (*I. Nigeria Report, 1925*).

In Ashanti and the Northern Territories of the Gold Coast the Governor has sole control; in the coastal area there is a Legislative Council, which contains six native chiefs elected by Provincial Councils of Chiefs, with a substantial majority of official members. Similar Legislative Councils exist in Gambia and Sierra Leone.

Thus throughout the whole of British West Africa effective control is in the hands of the Governors of each colony, who can use their permanent official majority to carry through any measures directed by the Colonial Office. In subsequent chapters we have to examine the advantages secured by British capitalist groups through territorial conquest and the administrative machine subsequently established.

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## CHAPTER II

### LAND TENURE AND PRODUCTION

WHEN British rule was established in the various areas which make up the colonies of West Africa, the most immediate problem of administration was the question of ownership and occupation of the land.

The policy adopted was not uniform for the whole of West Africa, but generally speaking it is the fact that wholesale dispossession of the natives and their confinement to reserves, such as was the rule in East Africa, has never been enforced in West Africa.

The whole question of land policy is so closely bound up with the economic development of colonial areas that it is important before describing the various methods by which British capital exploits the West African native, to give some account of the actual system of land holdings.

Private ownership of land, before the British conquered West Africa, was unknown among the natives. All land was tribal or family land. According to Lugard

" the general principle would seem to be that the assignment of land to the individual is entrusted to tribal or family authorities, in whom is vested the control of common grazing lands and forests ; that every individual has a right to a share of the use of the land and holds it in perpetuity, subject to the performance of tribal obligations, but may not alienate it. (3. *The Dual Mandate*, p. 287)

In Nigeria the British claimed that all rights in land were transferred to the Government by right of conquest ; and the actual conquest of resisting

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tribes was carried out by a long series of military expeditions, as we have seen.

But owing to the two facts that West Africa, at the time of its subjection to British rule, was very thinly populated, and that the climate made colonisation in the sense of alien settlements impossible, it was necessary to work out a system by which the natives could be most easily induced to develop the natural and cultivated crops of West Africa.

In 1908 and again in 1912 Committees were appointed by the Colonial Secretary to enquire into the system of land tenure in Northern Nigeria, and in the latter year a special inquiry was carried out on the Gold Coast. For Northern Nigeria an ordinance was passed based on the Committee's report, which laid down as fundamental principles :

- (1) That the whole of the land is subject to Government ;
- (2) That control must be exercised as far as possible in accordance with native customs.

A difficulty arose, however, over the question of rent. The Committee proposed that the Government should charge rent which would increase automatically with the expanding value of the land. This they described as the economic rent (4. Report, Par. 45).

But to the natives the imposition of rent implied not only the conquerors' right to control the distribution of land, but also absolute ownership ; and in Southern Nigeria and the Gold Coast there was widespread opposition to the new scheme, and deputations were sent to England to protest. In the end the rent proposals were not enforced (a tax on production being levied instead) and

" in practice at any rate no interference with native occupation or title, or the right of the chiefs to dispose of the land to persons under their rule, and no attempt



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to impose a rent has been made. An occupier if expropriated (unless for fault) is compensated. On the other hand the original claim of Government to dispose of waste lands has been maintained and the alienation of land by the chiefs to non-natives has been prevented. (3. *The Dual Mandate*, p. 293).

This was part of the policy which Lugard himself, as Governor of Nigeria for a number of years, firmly upheld, and to which the Colonial Office, through the more recent statements of Mr. Ormsby-Gore (Parliamentary Under-Secretary for the Colonies) and others, has given its approval. Lugard clearly defines the purpose of "a policy of encouraging small peasant proprietors" :—

"It is the strongest inducement to good farming, and politically an asset to the Government, to which the peasant owes the security of his holding." (3. p. 295).

To encourage native production (from which, as a later chapter shows, British capitalists made immense profits) ; to secure a willing labour supply for agricultural work, without resorting to the troublesome methods of compulsion ; and to build up a loyal peasantry : these were the broad aims of British land policy in West Africa.

In Southern Nigeria, which is the chief palm-growing district of West Africa, the system of land tenure allows for the leasing of land by natives to Europeans (with Government consent), and in what is known as the Colony area (round Lagos) freehold ownership was introduced under British rule. There is a growing pressure from British capitalists towards the establishment of large scale plantations in the palm belt in Southern Nigeria, and the following statement in Mr. Ormsby-Gore's report on West Africa is significant :—

"There is no reason why within limits as regards area and with due provision for preserving the rights of or paying compensation to existing occupiers, leases of con-

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siderable duration—99 years for example—should not be arranged." (p. 108).

According to Lugard's Report on the Amalgamation of Northern and Southern Nigeria (6. Cd. 468, 1920), leases of Crown Lands were generally limited to 1200 acres for 45 years, but leases of native lands in the Southern Provinces were not restricted, so that Europeans could hold any amount of land (with Government permission) on lease from the natives.

In the Gold Coast the Concessions Ordinance of 1900 recognised alienation of land by chiefs, and enormous numbers of concessions for gold-mining were acquired by Europeans from native chiefs within the next few months ; by 1911 alienated land in Ashanti amounted to 899 square miles. But by native law and custom, all land, as in the other parts of West Africa, was community land. In the Gold Coast the symbol of the ruling chief is the stool, and all lands belong to the stool ; the chief has no personal rights, and cannot sell the land.

The introduction of English ideas of private property in land completely cut across this system, and the disposal of land for money payments led to endless confusion.

"Boundary disputes have become increasingly frequent, and the result is that many of the stools have been seriously impoverished, while some have been reduced to a condition of bankruptcy. The subjects of the stools are submitted to heavy levies to pay lawyers' fees, and this is one of the chief causes of unrest among the poorer peasantry." (5. Report, p. 147).

In the Gold Coast Colony itself (apart from Ashanti and the Northern territories), out of a total area of 23,000 square miles, concessions amounting to 9,000<sup>3</sup> square miles have been secured at various

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times. In 1926 only a part of these concessions remained in force, covering the following areas :—

Timber and rubber,	677 sq. miles.
Agriculture and surface rights,	151    "
Oil palms,	193    "

The number of mining concessions was 346.

Native land is made up partly of small cultivated holdings and partly of forest land. The most valuable product of Nigeria and Sierra Leone is the fruit of the oil palm, which grows wild in the forest belts. In the Gold Coast cocoa, which is a cultivated crop, has become the most important product. These two together make up nearly 60 per cent. of the total value of West African exports.

Three distinct commodities are obtained from the oil palm :—(1) palm wine, which is secured by tapping the trees, and is used by the natives only ; (2) palm oil, obtained from the outer pulp of the fruit ; (3) palm kernels, from which oil of a different type is produced. Palm oil is exported to Europe and America for making soap and candles, and for tin-plate rolling, and is also used very largely by the natives for cooking. Palm kernels are sent to Europe for crushing and are used for the manufacture of margarine and oil-cake.

The expansion of the export trade in palm oil and kernels since 1895 is shown below :—

### EXPORTS FROM BRITISH WEST AFRICA.

			Palm Kernels.	Palm Oil.
			1000 tons.	1000 tons.
1895,	...	...	119	76
1900,	...	...	121	68
1905,	...	...	147	64
1910,	...	...	230	87
1915,	...	...	197	76
1920,	...	...	265	90
1925,	...	...	343	132

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Thus the quantity of palm oil exported is nearly double, and of palm kernels nearly three times what it was in 1895. In addition, the production of palm oil for native use in Nigeria has been estimated at about half the quantity produced for export. The cocoa of the Gold Coast is grown almost entirely for export ; and the increase in the amount produced has been even more rapid than in the case of oil palm products. In 1900 about 500 tons were sent abroad, in 1905 the figure had grown to 5000 tons, in 1920 to nearly 125,000 tons (valued at over £10,000,000) and in 1925 to 220,000 tons. The Gold Coast now provides nearly half of the world supply of cocoa.

The very rapid success of the cocoa growing industry, following on the introduction of the idea of private property in land by English concession-hunters, has given rise to economic changes in which the Gold Coast is quite distinct from the other West African Colonies. The fact that cocoa trees take a long period (five to ten years) to mature, and a much longer time before they are exhausted, meant that native growers began to demand permanent rights to the land on which their cocoa trees were planted. The old system of shifting cultivation over large areas of land held in common is giving place to permanent individual holdings. Cocoa planting is still mainly in the hands of small peasant farmers, but their land and the income from their crops are more and more dissociated from the old tribal economy. At the same time, with the expansion of the cocoa trade, a native farmer class, employing wage labour to cultivate their holdings, began to make its appearance. These larger farms are owned by native chiefs or by traders from the coast, who are thus developing into a native capitalist class not only in commerce at the

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ports, but in agricultural production. And side by side with the growth of native-owned farms, worked partly or wholly by wage labour, there are large-scale plantations in the cocoa growing regions of West Africa owned by British companies such as Lever's.

Besides the two chief West African products, palm oil and cocoa, a variety of other crops are grown for export, with the result that the food supplies produced within the colonies are declining, and foodstuffs, particularly rice, are being imported in increasing quantities.

The change in the volume of the chief exports since 1913 is shown by the following figures:—

### QUANTITIES OF CHIEF EXPORTS FROM BRITISH WEST AFRICA.

		(thousand tons).		
		1913.	1922.	1925.
Palm Oil,	Nigeria,	83.0	87.6	128.1
	G. Coast,	3.4	.9	1.4
	S. Leone,	2.4	2.0	2.9
Palm Kernels,	Nigeria,	174.7	178.7	272.9
	G. Coast,	9.7	3.1	6.5
	S. Leone,	49.2	49.0	63.2
Cocoa,	Nigeria,	3.6	31.2	44.7
	G. Coast,	50.5	159.3	218.1
Ground Nuts,	Nigeria,	19.2	23.8	127.2
	Gambia,	—	64.8	48.7
Rubber (1000 lbs.),	Nigeria,	1,144.0	278.3	2,128.4
	G. Coast,	1,317.3	16.1	1,097.8
Cotton Lint,	Nigeria,	2.8	2.9	6.6
Tin,	Nigeria,	4.1	8.1	9.2
Manganese,	G. Coast,	—	61.2	338.6
Gold (1000 ozs.)	G. Coast,	422	228	218
	S. Leone,	2.0	1.3	2.4

Cotton has been grown in Nigeria for generations and was used for native cotton cloth woven on hand-loom. Now it is produced for export, mainly in Nigeria, and the supply is being steadily increased under the direction of the Government Department of Agriculture, while the local hand-

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weaving industry is being displaced by cotton manufactures imported from Lancashire. Imports of British cotton cloth amounted to 144 million yards in 1913 and 152 million in 1925. In Northern Nigeria, too, there has been a very rapid increase in the cultivation of ground nuts for export. In 1910 less than a thousand tons were exported; in 1925 the quantity was over 127,000 tons.

In all the different kinds of agricultural production the system of small peasant farms is the prevailing method; and in this agriculture is sharply distinguished from the mining industries where the employment of wage labour by British masters is the rule.

In the Northern Provinces of Nigeria, which are the chief areas both of tin mining and of cultivation for export, apart from the cocoa fields of the Gold Coast, the total population is just under 10 million. According to the 1921 Census of Occupations more than half ( $5\frac{1}{2}$  million) were returned as occupied, and even this high proportion does not include large numbers of women and children who help in agricultural and other work. The following figures show the percentage of the total occupied population of these provinces in the chief industries,

		Per cent. of all occupied natives.	
		Male.	Female.
Agriculture, ... ..		77·5	41·8
Textile Workers, ... ..		8·3	15·5
Traders, ... ..		3·6	6·9
Clerks, Teachers and administrative, ... ..		2·6	—
Tin Mining, ... ..		4	—
Domestic and other, ... ..		7·6	35·8
<b>Total,</b>		<b>100·0</b>	<b>100·0</b>

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Thus the vast majority of the people are dependent on agriculture for their living. The same is true of the Gold Coast; while in Southern Nigeria and Sierra Leone the gathering and preparing of uncultivated palm products takes the place of cultivated crops.

The extent to which the labour of West African natives on the land has been a source of profit to British capitalists, and the methods by which these profits have been taken out of Africa are discussed in the next chapter. Of the fact of the immense increase in production for export from these colonies there can be no doubt. The figures of imports and exports given below show that the total value of West African foreign trade has increased from less than £3,000,000 to about £60,000,000 in the past thirty-five years. The values for 1920 show the maximum inflation of prices.

### BRITISH WEST AFRICA—TOTAL FOREIGN TRADE.

	Imports (£ million).	Exports (£ million).
1890, ...	1.2	1.4
1895, ...	3.0	3.2
1900, ...	4.0	3.5
1905, ...	5.4	5.3
1910, ...	11.0	9.7
1915, ...	11.3	13.4
1920, ...	43.6	34.6
1925, ...	28.8	30.8

Before the war about 69 per cent. of the import trade and 49 per cent. of the export trade was with Britain. In 1925 the British share was 61 per cent. of imports and 40 per cent. of exports, while nearly one-fifth of total exports were going to Germany and about one-seventh to the United States.

## EXPLOITATION THROUGH TRADE

### CHAPTER III

## EXPLOITATION THROUGH TRADE

IN the early days of African trading, European merchants could exchange glass beads and brass rings for gold and ivory by simply cheating the natives; and as long as any particular merchant could keep the trade to himself, a highly profitable business could be carried on. This was more or less the method of British merchants at the time when palm oil was first brought over to Europe. The terrors of the West African climate, according to an official of the Gold Coast, were deliberately exaggerated by traders in order to keep the business in their own hands.

“It is useless lamenting the fact that to preserve the monopoly of an exceedingly lucrative trade, merchants have damned the place by giving it a bad name, and thus crippled all attempts at developing the resources of the colony.” (2. McPhee, p. 298).

But as the possibilities of the trade became known in Europe, competing English and French merchants came to the “Oil Rivers” and individual monopolies could no longer be maintained.

In the actual trading operations, once they had become fairly regular and the period of robbery and cheating was over, the British or other capitalist could exchange British-manufactured goods for a quantity of raw materials or other West African products which, when sold on European markets, commanded a much higher price than the manufactured goods had cost to produce. At first sight it may seem impossible that any act of



## BRITISH IMPERIALISM IN WEST AFRICA

voluntary exchange should give one side two or three times the value of the goods given in exchange. But this is always the case where articles made in a developed industrial country with the help of machinery are exchanged for articles produced by primitive methods. This can be realised if we look at the exchange from the standpoint of the native producer. In West Africa, before the extensive import of British cotton goods, there used to be a native weaving industry, using locally grown cotton. When a British merchant offered 40 yards of cloth, the West African would know that it would take him say four days to produce it. If, on the other hand, he could get it from the British merchant for the equivalent of three days' work in collecting palm oil, he would naturally tend to regard the exchange as a satisfactory operation for himself, while the merchant would get three days' work from the native for the equivalent of a few hours' work by a British worker.

As long as the natives had time, after providing for their own subsistence needs, to gather what the white man required, the trade could go on in this fashion. But when different white men appeared, and began to compete for what in effect was the comparatively small surplus time of the natives, the exchange began to get more favourable for the natives and less favourable for the merchants, who had to offer greater inducements to the natives to increase the amount of surplus products they collected.

To meet the competition of other European traders, British interests made a determined effort towards the end of the 19th century to establish a general monopoly of West African trade by buying out rival French concerns, consolidating

## EXPLOITATION THROUGH TRADE

the various British groups, and securing territorial control of the Oil Rivers.

The United African Co., formed in 1879, was a combination of British firms trading in the Niger Delta; within the next few years more concerns were absorbed, and the company became successively the National African Co. (1882) and the Royal Niger Co. (1886), which for the next fourteen years held a charter of administration in the Niger districts.

About the same time another group, consisting of nine Liverpool, Glasgow and Bristol firms and companies trading in Southern Nigeria united to form the African Association, with the object of fixing prices to the natives and keeping out competitors.

By 1893 the whole of the Association's trade within the chartered area had been transferred to the Royal Niger Co., which had thus removed or absorbed all its European rivals. Native middlemen were squeezed out by means of heavy fees for trade licences and the enforcement of marketing regulations—measures which could be easily carried through owing to the company's control of the administration.

The actual extent of the Chartered Company's hold over Nigerian trade is shown by the figures of revenue from imports and exports; in 1887 over £38,000 came from duties on goods imported and exported by the Royal Niger Co. and less than £3000 from those of other traders, while in 1898 the Company's trade accounted for nearly £112,000 in revenue, and the amount received from other trade had fallen to £260. (McPhee, p. 81).

In the year 1900, the Royal Niger Co. surrendered its charter, and a distribution amounting to 145 per cent. was made to the shareholders, partly

## BRITISH IMPERIALISM IN WEST AFRICA

from the sums received in compensation from the Government, and partly out of profits. The Company became the Niger Company and continued its prosperous career as a commercial, transport and mining concern. For each year from 1900 to 1912 dividends of 10 per cent. free of tax were paid, with an additional bonus of 10 per cent. for 1909, 7½ for 1910, 10 each year for 1911, 1912, and 1915 to 1918, plus a 10 per cent. bonus in 1917 and 1918.

The expansion of the Company's paid-up capital since 1913 is shown below :—

	1913.		1926.
	£		£
Ordinary		Ordinary,	1,250,000
(£1 shares),	500,000	8% Preference,	1,500,000
5% Debentures,	175,000	10% "	1,500,000
		5½% Debenture,	4,000,000
		7% 2nd Debenture,	1,500,000
Total Share and			
Loan Capital,	675,000		9,750,000

In 1920, control of the Niger Company was acquired by the Lever combine, which thus secured the main British supply of raw materials for the manufacture of margarine, oil cake, soap and candles.

An advertisement of the Niger Company, published in the West African section of the *Times Trade and Engineering Supplement* (March 1925) refers to thirty associated companies and 500 stores operating on the West Coast, including two companies in the Belgian Congo and two in French territory.

The growth of the other large trading concern, which started as the African Association, and became the African and Eastern Trade Corporation, Ltd., in 1919, has been almost as rapid. In 1913 the paid-up capital of the Association amounted to

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£340,800. In 1926, it was £7,366,000, and the company's investments in allied and subsidiary companies amounted to £8,000,000.

In the recent study of West Africa, quoted above, the writer points out that—

“Imports into West Africa were at first of trifling importance, and the dividends declared by the early traders must have been fabulous.” (2. McPhee, p. 65).

But it was not only in the early period that immense profits were made; their extent in later years can be estimated from the operations of the two companies described above which, with their subsidiaries, handle the majority of Nigerian trade. The African and Eastern paid dividends of 17½ per cent. in 1918 and 30 per cent. plus a share bonus of 5 per cent. in 1919. For the four years to 1925 its total net profits were over £2,000,000, and it has reserves amounting to close on £3,000,000.

The profits of these companies, and of other West African traders, were based on the process of exchange which was described earlier; the exchange of manufactured goods produced by factory labour in Great Britain for raw materials produced by the primitive labour of West African natives.

There are no statistics showing the average money value of the things the natives secured in return for a ton of palm oil or palm kernels. But in the early period (before the export of capital in the form of railway materials, etc., had begun) trade figures represent roughly the exchange of commodities; and the value of imports, though not by any means identical with the values given to the natives, would rise and fall with the amount which they received, and the *excess* of exports over imports would give a rough indication of the profits made on the exchange. The available figures for

## BRITISH IMPERIALISM IN WEST AFRICA

Nigeria from 1887 to 1891 cover only the territory administered by the Royal Niger Co., but they bring out the point very clearly:—

### TRADE OF AREA UNDER ROYAL NIGER COMPANY.

		Imports.	Exports.	Excess of Exports.
		£	£	£
1887,	...	73,800	223,500	149,700
1888,	...	120,900	230,100	109,200
1889,	...	139,500	260,800	121,300
1890,	...	180,700	286,200	105,500
1891,	...	224,700	335,000	110,300

Trade statistics for the whole of West Africa, from 1891 to 1895, show average yearly imports into West Africa of £2,650,000, against average yearly exports of £2,858,000—resulting in an average excess of exports amounting to £208,000 a year. It must be remembered that even in that period, although there were no specially large imports of capital goods, the imports would have included building material for the towns and trading stations, river craft, and other goods not for exchange with the natives, so that the difference between goods imported for exchange, and the exports secured by the exchange, would be even greater than the figure of excess of exports given above.

The building of the Sierra Leone and Lagos Railways began early in 1896, and of the Gold Coast Railway in 1898, and from that period the imports of capital goods into West Africa altered the balance in the trade figures. For the following years the average yearly relation of imports to exports was reversed:—

## EXPLOITATION THROUGH TRADE

Average Yearly Trade.	Imports.	Exports.	Excess of Imports.
	£	£	£
1896-1900	3,523,600	3,267,400	256,200
1901-1905	5,309,200	4,399,200	910,000
1906-1910	8,415,400	7,898,600	516,800
Year 1911	12,539,600	11,166,200	1,373,400
			Excess of Exports.
Year 1912	12,635,700	12,673,500	37,800
1913	14,995,700	15,378,000	383,300
1914	13,451,100	13,639,900	188,800

It will be noted that after 1912, although imports had risen considerably, the value of exports rose even more, owing to a rise in the value of palm kernels caused mainly by German-buying competition; between 1910 and 1913, the export value of palm kernels had risen from £14 10s 3d to £17 18s 10d per ton.

With the war, the export of railway materials and other products of British heavy industries practically ceased; but West Africa became an immensely important source of food and raw materials supplies. The price of oil palm and cocoa exports on the European market rose rapidly, but in spite of the new demand, British buyers were able to force down the price to the natives to a level which was actually lower than the pre-war price.

In a report issued in 1920, Sir Frederick Lugard stated that merchants' combines were set up during the war with the object

of reducing the price paid to the native producer to the lowest possible limit and of assuring to him the stability of this minimum price. (6. Cmd. 468, 1920, p. 30.)

## BRITISH IMPERIALISM IN WEST AFRICA

A representative of the Niger Company, in evidence given to a Government inquiry into the palm oil trade in 1915, admitted the same point. On the question of combination among buyers in West Africa he said—

I believe they have wisely been working together more than they did prior to the war, when they were making little or no profits at all. (7. Cmd. 8247, 1916, Evidence par. 1335.)

His estimate of the normal profit obtainable on oil before the war, according to another part of his evidence, was £1 a ton.

In 1917 Government control of supplies and prices was introduced, and continued until 1919. During this period

importers continued to secure good margins, in that they were able to purchase raw materials in the Colonies at reasonable prices, while receiving the satisfactory prices offered to them by the Government as an inducement for an ample supply. (Report of Profiteering Committee, Cmd. 982, 1920).

This Committee, like other official inquiries, was very careful not to reveal the actual profits made out of the West African trade.

But from other sources it is possible to get at least some indication of what the "purchase of raw materials in the colonies at reasonable prices" meant for the native producers. To begin with, we can turn back to the trade figures. From 1915 to 1919 the total value of exports exceeded the value of imports by about £14½ millions. The actual figures were:—

		Imports.	Exports.	Excess of
		£1000.	£1000.	Exports.
				£1000.
1915	...	11,303	13,454	2,152
1916	...	13,914	13,842	72
1917	...	13,447	17,713	4,266
1918	...	15,027	16,894	1,867
1919	...	22,959	29,178	6,219
Total,	...	...	...	<u>£14,432</u>

## EXPLOITATION THROUGH TRADE

Further, various official statements make it clear that by means of the price-fixing arrangements referred to above, actual prices of palm oil and kernels to the natives were being steadily reduced. Lugard, in the report already quoted (Cmd. 468, p. 31), said that prices in Lagos were lower than pre-war prices by the following amounts per ton :—

		Palm Oil.	Palm Kernels.	Cocoa.
1917	...	£1 17 0	£3 2 6	£1 0 6
1918	...	£3 18 0	£2 10 10	£1 7 8

Again, the Government Committee on Trade and Taxation in West Africa reported that in 1921 prices to producers were not only relatively (*i.e.* in relation to the prices of imports) but actually lower than before the war. (8. Cmd. 1600, 1922, p. 41).

The total quantity of palm kernels exported from West Africa between 1917 and 1920 was 1,048,000 tons; and if the reduction in price to the native producers averaged even £3 a ton during these four years (actually it was probably more) they lost in income from palm kernels alone over £3,000,000. In addition, the fall in the price of palm oil in 1918, when over 90,000 tons were exported, was close on £4 a ton. But the drop in the price paid for these products in Lagos and other West African trading centres does not represent anything like the whole of the loss to the natives in these years. Not only did they get less for palm oil and kernels and cocoa, but they had to pay a great deal more for manufactured goods imported from Europe; so that it was as if, in other countries, wages had fallen and the cost of living had risen at the same time.

This can be illustrated by the value of British cotton cloth exported to West Africa :—



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	Quantity, Million Yds.	Value, £1000.	Average Value per Yd. s. d.
1913 ...	144.6	2,406	0 4
1917 ...	141.9	3,194	0 5½
1918 ...	111.4	3,749	0 8
1919 ...	114.9	5,323	0 11
1920 ...	135.4	9,641	1 5

Thus West African natives were paying more than four times as much for cotton cloth in 1920 as in 1913, and were receiving smaller amounts in actual cash for the produce they brought in to the trading centres for export.

But while the African peasant was getting less and less in return for his labours, the prices of West African products in the European market were steadily increasing. Average prices per ton from 1915 to 1920 were as follows (the figure for cocoa is the average value of exports from the Gold Coast):—

	Palm Kernels, £ per ton.	Palm Oil, £ per ton.	Cocoa, £ per ton.
1915 ...	12.7	23.6	47.2
1916 ...	15	23.9	53.3
1917 ...	14.5	28.7	34.6
1918 ...	16.7	32.3	27
1919 ...	23.5	34.8	46.9
1920 ...	27.8	59.6	80.5

These figures suggest at once the question—how was it possible for British traders to go on getting supplies of oil palm and other products at reduced prices from the natives and selling them at greatly increased prices in Europe? Why did not the Africans, finding that a ton of oil or kernels now only gave him enough to buy a fraction of what he had formerly been able to get in cotton cloth and other things, simply leave off producing for export at all?

The answer to this involves several points which are important in following out the process of exploitation in West Africa.

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British and German interests in West Africa before the war had carefully built up the export trade of these colonies, and as we have seen, native labour had turned more and more from the production of food supplies for themselves to the production of palm kernels and cocoa for the foreign market. To go back to the position of self-supporting production would have meant an upheaval in the whole economic system and must have involved a period of very acute shortage. Further, the process of developing the supply of raw materials from Africa necessarily meant the creation of a demand for European manufactures in exchange. As in all other 'backward' countries, it was the business of British merchants to foster this demand, to teach Africans to want Lancashire cotton and Birmingham bicycles and Sheffield tools and cutlery. As Mr. Knowles of Lever Bros. explained in the course of the inquiry into the palm oil and kernel trade, the difficulty of getting the natives to work on the Lever concession in the Congo had been got over largely by this method.

"Of course, we are showing them pretty things to buy, and that sort of thing, and they want to earn money to enable them to buy these pretty things." (7. Cmd. 8247, Par. 2443.)

And so by the time of the war, when British interests (by methods which are described below) were able to use their control of the State to secure an absolute monopoly of West African trade, the standard of demand was firmly established, and the fall in prices to the natives, combined with the rise in the price of imports, meant not that the Africans ceased to bring in their products, but that they brought larger and larger quantities so as to keep on buying the things they wanted and were in the habit of buying. On this established demand

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British capitalists relied for the supply of increasing quantities of the raw materials out of which they were making ever-expanding profits; having taught the Africans to adopt a certain standard of living, they proceeded in effect to cut the piece-work rate, knowing that the immediate result would be not less but more production.

But there was another factor which made it possible for British interests to force the natives down to a lower level. Before the war three-quarters of the palm kernels exported from West Africa were shipped to Germany. There they were crushed in German crushing mills, and of the resulting products a large proportion of the oil was sent to Holland for margarine manufacture, while palm kernel cake was sold to farmers to be used as a feeding stuff.

British firms used the war situation to develop this profitable business in Britain—a business which was made even more profitable by the lower real wages of the British workers, who were forced to turn from butter to margarine. The export of kernels, formerly carried on German ships to Hamburg, was now diverted to Liverpool and carried by Elder Dempster boats. The imports of kernels into Great Britain rose from 36,000 tons in 1913 to 233,000 in 1915. Companies such as British Oil and Cake Mills, Ltd., and Joseph Watson & Sons, Ltd. (both now controlled by Lever Bros.) developed a crushing industry in England, and palm kernel oil was sold at £48 a ton; while the price paid for kernels to West African natives at inland trading stations like Ibadan in 1915 was £5 10s to £6 a ton. (Cmd. 8247, Par. 792.)

In order to keep this profitable trade in British hands after the war, a duty of £2 a ton was imposed in addition to the existing export duty on all palm

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kernels exported from West Africa, the duty to be remitted on kernels shipped to and crushed in any part of the British Empire. This differential duty was in force from 1919 to 1922.

Since the removal of the duty in 1922, both the quantity and the price of exports of palm products have steadily increased, and German interests have gradually recovered a share of the trade. The total exports and average price on the European market of palm oil and kernels are shown below.

	Palm Kernels.			Palm Oil.		
	Total Exports.	Average Price per ton		Total Exports.	Average Price per ton	
	1000 tons	£	s. d.	1000 tons.	£	s. d.
1922	231.3	17	10 0	90.5	35	13 4
1923	286.8	18	15 0	104.2	35	15 0
1924	321.2	21	0 0	131.5	39	15 0
1925	343.4	21	18 0	132.5	40	2 0

No complete figures of prices in West Africa during this period are available, but recent prices in the Gold Coast show that the margin between what the natives are getting for their products and the price in England is enormous.

In October, 1926, Gold Coast prices, which already include some proportion of merchants' profits as well as local transport costs, were £12 19s for palm kernels, £21 15s for palm oil and from £29 17s (at Mpraeso) to £37 16s (at Cape Coast) for cocoa. In Liverpool at the same date the prices were £20 for kernels, £37 for palm oil, and £51 for cocoa; so that the margin taken by British interests is from 35 to 70 per cent. of the African price, and (allowing for intermediate charges) a much higher proportion of the price actually paid to the native producers.

# BRITISH IMPERIALISM IN WEST AFRICA

## CHAPTER IV

### EXPLOITATION THROUGH WAGE-LABOUR

A GENERAL distinction can be made between the methods of developing agricultural and forest production in West Africa, and the mining and other industries. In the first group, production is in the hands of the native peasant population and British capitalists make their profits through the process of exchange with the natives; in the second group, the industry is owned by capitalist groups (or by the State) and the natives are directly exploited through the method of wage labour.

Apart from transport, the most important field for the employment of native wage workers is mining.

Tin is worked mainly on the Bauchi plateau of Northern Nigeria, coal in the Enugu mine in Southern Nigeria, and gold, manganese and diamonds in the Gold Coast.

The number of native mine workers in 1925 was roughly as follows :—

Tin, ... ..	23,000.
Coal, ... ..	2,000.
Gold, Manganese, Diamonds,	15,000.

The first exports of tin ore were sent from Nigeria to England in 1902. By 1913 the output had reached 4000 tons and in 1917 it was over 9000 tons. Production in the last four years has averaged about 8500 tons—roughly 10 per cent. of tin production within the British Empire and 4 per cent. of the world supply.

In 1925 there were 58 companies and 49 individuals operating tin mines in Nigeria.

## EXPLOITATION THROUGH WAGE LABOUR

The recent high prices of tin have attracted new capital to the Nigerian tinfields, and since 1923 a number of companies have been formed and existing concerns have increased their capital. The *Financial News* (Jan. 24, 1927) states that 40 of the most important companies have a combined capital of over £5 million.

Comparatively few of these are independent concerns ; most of them are controlled by one or other of the mining-finance groups through which the exploitation of mineral resources in various parts of the Empire is carried on.

The finance groups operate through investment companies which organise the financing of particular mining enterprises. For example, the Eastern Tin Trust and the Tin Selection Trust, both having large holdings in Malayan and other tinfields, combined to form the London Tin Syndicate, which, according to the *Mining Manual* (1926) will in future carry out all development work for either company. The London Tin Syndicate was registered in September, 1925. Its directors include Lord Askwith, who was Chief Industrial Commissioner, 1911-1919, and President of the Middle Classes' Union in 1921. In its first year the Syndicate, according to the *Financial News*,

"acquired various properties in Cornwall, several of which are in the course of being developed into important tin mines. . . . Apart from its Cornish activities, the Syndicate has pursued an active programme in Nigeria. . . . The activities of the Syndicate are now spread more widely, and various tin areas are being examined in Malaya, Bolivia, and other parts of the world."

In an earlier colonial study (*British Imperialism in Malaya*) we described how, with the help of the Government of the Federated Malay States, stocks of tin were withheld from the market so as to force up the price. Actually prices rose from £160 per

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ton in 1922 to over £300 at the end of 1926. The above description of the operations of the London Tin Syndicate shows how the financing of tin supplies from all parts of the world is being concentrated in the hands of groups of capitalists who can control supplies and prices ; while the mining companies which they own keep down the wages of colonial mine workers to a level which averages about 1/- a day in Nigeria and 1/2 in Malaya. And the same capitalist groups are exploiting British workers in the tin mines in Cornwall and the smelting mills of Wales and other districts. The report of the London Tin Syndicate already quoted explains that " in view of the rapid and successful development of the Syndicate's operations in Cornwall and Nigeria " the question of smelting the ore has become urgent, and therefore the Syndicate

has acquired the whole of the share capital of the Penpoll Tin Smelting Co., Ltd., which owns and operates a smelting plant at Bootle, near Liverpool.

Another important group of tin mining companies in Nigeria is associated with the Nigerian Base Metals Corporation, which took over in 1925 most of the mining properties of the Niger Co. A third group includes six companies having a combined capital of £1,145,000, and controlling nearly one-fifth of the total output of Nigeria.

Some of the older companies, as the following examples show, have made enormous profits :—

**Ropp Tin Ltd.** Paid-up Capital (1926), £168,000.

		DIVIDENDS. RATE PER CENT.		
1913,	... ..	50	1921,	10
1914-16	(each year),	25	1922,	35
1917-18	" "	75	1923,	50
1919,	... ..	60	1924,	80
	(plus 150% share bonus).		1925,	65
1920,	... / ...	nil.		

## EXPLOITATION THROUGH WAGE LABOUR

Thus shareholders in this company in 1913 had received 820 per cent. on their shares by 1925.

**Ex-Lands Nigeria Ltd.** Paid-up Capital, £150,000.

DIVIDENDS.		RATE PER CENT.	
1922, ...	17½	1925, ...	27½
1923, ...	22½	1926, ...	25
1924, ...	25		

**Kaduna Syndicate Ltd.** Paid-up Capital, £35,000.

DIVIDENDS.		RATE PER CENT.	
1917, ...	50	1920, ...	10
1918, ...	60	1921 & 1922, nil.	
1919, ...	35	1923-25,	45

(plus 100% share bonus). each year.

This Company therefore paid 435 per cent. on its 1917 capital in the next nine years.

The minimum wage in the tin mines, according to Mr. Ormsby-Gore, is a penny an hour—4/- for a 48 hour week; but many workers, including those who come from French territory, earn more than the minimum. The average rate is 1/- a day. From this wage figure, and from published statistics of output and profits, it is possible to show roughly how much of the value produced goes to the workers and how much is taken by capital. But it must be remembered that the following result is only approximate.

In 1925 the average number of native workers employed was 23,400. Assuming 300 working days at 1/- a day, the aggregate wages cost would be £351,000. The total value of the 1925 output, on the basis of export price, was about £1,618,000, and the division between labour and other interests was therefore approximately as follows:—

Total Value of Output (£1000).	Wages (£1000)	Per cent of total.	Other Costs & Profits. (£1000).	Per cent. of total.
1618	351	21.7	1267	78.3



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The reports of tin companies do not give details of the actual costs of production, but some of them publish figures of costs and selling prices per ton. Examples of results in 1925 for four Nigerian companies are given below :—

COMPANY.	Cost per ton.	Profit per ton.
Bisichi Tin Co., Ltd., Keffi Consolidated Tin Co., Ltd., ... ..	£77 3 0	£111 14 6
N. Nigeria (Bauchi) Tin Mines Ltd., ...	60 9 0	121 11 0
Ropp Tin Ltd., ...	51 12 9	142 11 1
	110 0 0	155 0 0
Average for four coy.'s,	£74 16 2	£132 14 1

The average value per ton realised by these companies in 1925 therefore was £207 10s 3d, of which £132 14s 1d or 64 per cent. was profit, and 36 per cent. costs.

If the relation between costs and profits was the same for the whole of West African tin production, then of the total value of £1,618,000 produced in 1925, profits absorbed 64 per cent. or £1,036,000 and costs took 36 per cent, or £583,000. It has already been shown that the aggregate value of wages paid in 1925 was £351,000, or nearly 22 per cent. of the total value produced; and the general relation between wages, other costs and profits was therefore as follows :—

	Per cent. of Total Value.
Wages, ...	22
Other Costs,	14
Profits, ...	64.0
	} 36
Total	100.0

## EXPLOITATION THROUGH WAGE LABOUR

The proportion taken by costs other than wages includes the labour cost which is not covered by the earnings of miners at an average of 1/- a day ; in 1925 the number of Europeans employed was 232. It also includes an important item which is really another charge levied by capitalist interests.

Royalties on Nigerian tin vary with the selling price on the London market. The scale rises from 2 per cent. on the value when the price is below £180 to 10 per cent. when the price is £300 and over ; and the proceeds are divided between the Niger Co. and the Government.

In 1925 the average selling price of tin was £235, and royalties were therefore at 7 per cent. This means that a further 7 per cent. of the total value really belongs to profits and is not a part of " costs " at all. The actual percentage taken by profits, including royalties, is therefore 71 and by costs other than (daily) wages, 7 per cent. If it is assumed that half of this 7 per cent. represents additional labour costs, and half goes to upkeep of plant and other working expenses, then the total proportion that the workers receive out of the value produced is about 25 per cent., while profits and royalties take 71 per cent.

In terms of working hours this means that the workers employed for an 8-hour day by Nigerian tin companies spend nearly six hours in working for the capitalists and only two hours for themselves. For every penny paid in wages nearly threepence goes to dividends, reserves and royalties.

Although this calculation cannot be absolutely accurate, it gives a basis for comparison with the tin-mining industry of Malaya, where British capital is exploiting imported coolie labour. An examination of the profits of British companies showed that the value produced in an 8-hour day

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was divided into  $2\frac{1}{2}$  hours for the worker and  $5\frac{1}{2}$  for British capitalists. (*British Imperialism in Malaya*, Chapter II.).

Until the last quarter of the 19th century, gold-mining in West Africa was in the hands of the natives, and gold, like other native products, was bartered to European merchants. Now the whole industry is owned by British companies and run on capitalist lines.

But within recent years the output of gold from the Gold Coast has declined very heavily, owing largely to the fact that the Africans found they could earn more by growing cocoa or working as porters for native growers than as wage labourers in British-owned gold mines. It was said by the Governor of the Gold Coast that during the cocoa boom of 1920 carriers could earn 10/- to 15/- a day—between five and ten times the average in the mines. (*The Dual Mandate*, p. 400).

Exports of gold from the Gold Coast in 1913 amounted to 422,000 ounces. Since 1922 exports have averaged only about 225,000, valued at rather less than a million pounds.

The number of workers employed is about 10,000 and wages are 1/6 to 2/- for a 9-hour day.

The largest gold-mining concern, controlling over a third of the total output, is the Ashanti Goldfields Corporation, which acquired in 1897 a concession of a hundred square miles on a 90 years' lease. The company's capital was increased in 1920 and is now a quarter of a million; since 1901 it has paid dividends totalling 1142 per cent.—an average of over 45 per cent. each year for 25 years.

Next to cocoa and gold, the most important export from the Gold Coast is manganese ore. Production is now almost entirely in the hands of a single concern, the African Manganese Co., Ltd.,

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which came into existence in 1923. Half the share capital (£15,000) and all the debentures (£400,000) are held by the five companies from which the manganese concessions were (nominally) acquired, and through which the new company is associated with other mining concerns.

In 1925 nearly 4000 workers were employed, and output has risen steadily :—

Year.	Output (Tons).
1923	139,595
1924	255,847
1925	356,626

The company is a private one and accounts are not published, but on the first year's working a 10 per cent. dividend was paid, in addition to debenture interest, apart from whatever amounts were accumulated as reserves.

Among the directors of the African Manganese Co. is Mr. Edmund Davis, who is described by *Who's Who* as an art collector, and whose fancy seems to involve the collection of directorships in companies exploiting cheap labour. His name appears again and again—in East Africa, in China, in Rhodesia and in West Africa, with a total list of 36 directorships.

Mining in its various branches is the chief but not the only form of private enterprise employing wage labour in West Africa ; and in Chapter VI the signs which point to an extension of plantations and manufacturing companies are reviewed. Already there is a crushing mill belonging to Lever Bros. at Apapa, a cocoa plantation owned by Cadbury's, a number of plantations in the Cameroons which were sold back after the war to their previous German owners ; and in addition, hundreds of warehouses, packing shops, and stores, all employing native labour in the handling of

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imports and exports, in clerical work, and in the enormous amount of transport by native porters. In many parts of West Africa goods are still moved over long distances by natives carrying loads on their heads. It is estimated that in the Southern province of Sierra Leone alone the number of carriers employed every year by merchants is about 18,000, in addition to large numbers employed by the government. The average load carried is 45 lb. to 50 lb.; wages are 1/- to 1/3 a day for a distance of twelve to eighteen miles.

In most of the different types of wage-labour described above, the workers are paid money wages on a daily or weekly basis. But in some of the mines and most of the timber concessions of Nigeria and the Gold Coast the system of contract labour is in force. The British concession-holder employs a native contractor to work a given area, and pays him a fixed price per unit produced. The workers are recruited by the contractor and have to agree to work for six months before they receive any wages at all; meanwhile they are given allowances for food which they can only buy in the local market, where the contractor himself may have an interest and prices may easily be so high that at the end of the six months there is very little to come in the form of wages.

The quantity of African mahogany exports from the Gold Coast in 1925 was about 60,000 tons, valued at £286,000, while about the same amount was exported from Nigeria; and according to an advertisement of the West African Mahogany Coy. profits at 1925 prices amounted to £4 a ton.

Besides the direct exploitation of native wage-workers by private enterprise in tin and gold-mining (as well as to some extent on plantations and in manufacture) important sections of West

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African industry are State-owned. These include coal mines, railways, docks and harbours; and the Government is by far the largest employer of wage labour.

Coal was discovered at Enugu in Southern Nigeria in 1909, and work was began in 1914. The present output is about 200,000 tons a year, and the pithead price averages 7/- a ton. So far, only one seam is being worked, but coal is known to exist over an area of 1600 square miles, and production is increasing. Local coal is used almost entirely to supply the Nigerian railway and the power stations at Lagos and Enugu.

Mr. Ormsby-Gore states in his report that the number of underground workers required for an output of 1000 tons a day is 1430; in addition a varying number of surface workers is employed. Unskilled workers not on piece work earn 9d a day for surface work and 1/- a day underground.

The railway system of West Africa is entirely State-owned and is an important source of revenue to the Government. In 1921 railway revenue was nearly a third of total revenue in Nigeria, and more than a quarter in the Gold Coast and Sierra Leone. In relation to the area of the colonies, the length of railways is still very small, and an urgent propaganda in favour of expansion, which of course would be a source of profit to financial and industrial interests in England, is being carried on.

The actual length of existing railways is 2542 miles: 1715 in Nigeria, 495 in the Gold Coast and 332 in Sierra Leone.

The first sections of all these lines were began in the last years of the 19th century, and a Government report, published in 1904 (Cmd. 2325) gives particulars of the labour employed. *The railways were built by forced labour recruited by the Govern-*

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*ment and paid at rates varying from 10d to 1/3 a day.* The fact that West African railways and public works have been and still are constructed mainly by forced labour is not generally realised; and this is one of the points on which British policy in West Africa is supposed to be different from the policy in East Africa. But official reports make the actual facts perfectly clear. Both the accounts of early railway building and the recent report of Mr. Ormsby-Gore leave no doubt about the use of forced labour.

“The supply of voluntary labour for the latter purpose (road and railway construction) has always proved inadequate in Nigeria, and recourse is had to compulsory or “enlisted”—sometimes called “political”—labour for these essential public works and services. All the railways and most of the roads in Nigeria have involved the use of this compulsory labour.” (5. *Report*, p. 132).

Again, the report states that in the Northern Territories of the Gold Coast, every able-bodied man may be called on for 6 days' compulsory *unpaid* work on the roads every three months and that

“there can be no doubt that if and when a railway is constructed the circumstances are such that recourse will have to be had to compulsory labour.” (5. *Report*, p. 152).

According to Sir Frederick Lugard, the method of recruiting forced labour for railway building was simply that the Government sent orders to each chief to supply a given quota of men, and recruiting is still done by the native “authorities,” at the order of the British administration. The chiefs themselves are dependent on the British for their share of the revenue from direct taxation and cannot refuse to carry out such orders without endangering their own incomes and position.

## BRITISH FINANCIAL INTERESTS

### CHAPTER V

## BRITISH FINANCIAL INTERESTS

IN countries such as Egypt or China, where a relatively strong central government was already in existence before the European penetration developed, these native governments could be used as intermediaries for loans and contracts by the British financial interests and the closely-associated heavy industry concerns. A loan to a Khedive or Emperor, out of which railway or other constructional material was to be bought, provided the financiers with investments and heavy industry with contracts, while the responsibility for the future payment of interest and repayment of principal—*i.e.*, the extraction of surplus value from the people of the country—lay with the native government.

In the case of the more "backward" countries, such as West Africa, it was necessary to set up British governments in order to undertake this responsibility and to make possible loans and contracts. The emergence of a conscious imperialism in Britain (*i.e.*, an imperialism definitely expressing the needs of the financial and heavy industry capitalist groups) was marked by the appointment of Joseph Chamberlain to the Colonial Office in 1895. So far as West Africa is concerned, the military and political results of the Chamberlain policy have already been referred to—the continuous expansion of territory and the consolidation of the Colonial Governments, especially the transfer of administration from the Royal Niger Company.

The investments and contracts to which this policy was a preliminary step were not slow in



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appearing. At first the considerable military expenditure of the Colonial Government was met by grants-in-aid from the British Government, *i.e.*, from taxation in Britain. Even a certain amount of constructional work—roads, buildings and harbours—was provided for out of British grants-in-aid, or loans free of interest from the British Treasury. Thus, between 1895 and 1901, advances amounting to £607,000 had been made to the Gold Coast Colony, free of interest, but repayable in instalments. But as rapidly as possible the burden of capital expenditure was transferred from the British to the Colonial Government, and the necessary legal condition for this transference was provided by the Colonial Loans Act of 1899. This Act extended the National Debt and Local Loans Act of 1887 so as to bring the Colonies within its scope, and authorised the Treasury to advance sums by way of loan, at a minimum rate of 2½% interest, to Colonial Governments, which undertook to repay the loans by instalments or otherwise. The Schedule to the Act specified certain loans for West Africa (in addition to others for Malaya, Cyprus and the West Indies) as under:—

Colony.	Purpose.	Amount.
Gold Coast, ...	Railways, ...	£578,000
Do. ...	Accra Harbour Works,	98,000
Niger Coast		
Protectorate,	Harbour Works, ...	43,500
Lagos, ...	Railways, ...	792,500
Sierra Leone, ...	Railways, ...	310,000
Total West Africa, ...		<u>£1,822,000</u>

These loans were provided by the Treasury, and were not floated as loans on the market; but the effect of the diversion of sums for these purposes was of course to increase the floating debt of the

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country, or to prevent its reduction through the sinking fund, so that even from these State loans the British financiers benefitted, while the benefit to contractors is evident from the purposes for which the loans were given.

Under the Public Works Loans Act of 1907, the Treasury was authorised to advance to Nigeria £2,000,000 "for the purpose of constructing and improving railway and other communications in Southern Nigeria." But by this time the Colonial Governments were already strong enough to float loans for themselves, in addition to borrowing from the British Treasury: *i.e.*, the financial interests were able to float loans for them, getting in considerable commissions and "expenses of issue," besides a higher rate of interest than they could get on discounting British Treasury Bills.

Up to the end of 1926, the total amount of loans raised by Nigeria, either from the Imperial Treasury or on the market, had been £30,858,000; some of the loans, however, amounting to £11,150,000, were raised to redeem other loans, so that, with further deductions of sinking fund, the total amount outstanding is about £19,000,000. An examination of what happened to the money thus raised brings out clearly the points made in earlier paragraphs.

In the first place, several of the loans were issued at under par: for example, in 1923 £5,700,000 stock was issued at 88; that is, each investor paid £88 for £100 of stock. This means that no less than £684,000 of what the Nigerian Government has to repay was never lent to it; actually, Nigeria owes £5,700,000, and received only £5,016,000. On all the Nigerian loans issued, the total liability for money not received is £874,000.

But apart from this issuing below par, through which, when the loans are redeemed, the lenders

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are refunded money which they had not lent, the financial middlemen have got huge sums as "expenses of issue"—an item which covers commissions as well as the cost of advertising, etc. The total of expenses of issue for all the Nigerian loans amount to no less than £950,000.

Out of the £19,000,000 odd for which the Nigerian Government is liable, therefore, £874,000 never was lent, and £950,000 was caught by the financial machine, thus £1,824,000 has to be deducted, and the balance actually realised is only a little over £17,000,000. This sum has gone almost entirely to railway and harbour construction—*i.e.*, to the heavy industry contractors, transport of material, etc.; the labour used in the actual laying of the tracks has throughout been forced labour. As an example of the contracts, we may quote the official Nigeria Report for 1923:—

"The new Railway Locomotive Workshops at Ebute Metta, being built by Sir William Armstrong, Whitworth & Co. . . . The Railway Workshops at Enugu, constructed by Sir William Arrol & Co., Ltd. . . . The contract for 1800 feet of wharfage at Apapa, let to Messrs. Sir William Armstrong, Whitworth & Co."

In January, 1927, a further loan of £4,250,000 was raised by Nigeria; details of the expenditure are not available. It brings the total outstanding debt of Nigeria to over £23,000,000.

Exactly the same features are to be found in connection with the Gold Coast and Sierra Leone loans. In the Gold Coast, total loans issued amount to £12,400,000; the net amount realised is approximately £11,000,000; excluding the £4,500,000 raised in 1925 (for railway and harbour works, exact expenditure on which is not yet available) about £5,500,000 was spent on railways, and £1,000,000 on harbours and waterworks. In Sierra Leone, the total loans issued have been only £1,730,000.

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One of the large Gold Coast contracts which has been widely noticed in the Press is the construction of a harbour at Takoradi. The harbour is only part of a much larger scheme, involving railway extensions, warehouses, etc., the total cost of which is expected to be over £12,000,000.

In the present state of declining heavy industry in Britain, the pressure for contracts is stronger than ever, and the necessary propaganda work was undertaken by the Parliamentary Under-Secretary for the Colonies, Ormsby-Gore, who visited West Africa in 1926. His recommendations are clear and to the point, and recall a Minute from the Colonial Office to the Treasury (9. Cd. 2787) in 1905 :

"Mr. Chamberlain considers that the question of railway construction in Nigeria is one which may fairly be regarded as affecting Imperial as well as local interests."

Ormsby-Gore's report shows a thorough appreciation of "Imperial interests" in railway and other constructional contracts. For Northern Nigeria, immediate railway extensions of about 200 miles are recommended; and "sooner or later," a new trunk line, 400 to 450 miles in length, up to Lake Chad, in the north-east corner of Nigeria. For Southern Nigeria, various branch lines are proposed, totalling some 500 miles of new construction, which "could be undertaken without any financial anxiety." The total programme for Nigeria is about 1,100 miles; Ormsby-Gore is silent as to the cost involved, but as previously built lines have cost over £7,000 a mile, the expenditure on the new programme would be at least £7,000,000. He notes that

"Local 'Political' labour (*i.e.*, compulsory labour) has to be relied upon for the earthworks and unskilled labour required." (5. Report, p. 44).

In the Gold Coast, Ormsby-Gore's recommendations include a northwards extension of the existing

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Kumasi lines for 380 miles, and the reconstruction of existing lines and railway bridges. Both in Nigeria and in the Gold Coast various harbour works and reconstruction of bridges are recommended, the most costly being the new Takoradi harbour referred to above. The possibility that the harbour itself, owing to the unsuitability of the place, may never fulfil its ostensible purpose as a safe port for large ships, is not mentioned; but the report emphatically states that, however costly, "the policy of its construction is sound."

Another group of capitalists which shares in the advantages is the shipping group, which carries the constructional material from Britain to West Africa. The dominating shipping interest is Elder Dempster & Company, Ltd., which also manages the African Steamship Company, the British and African Steam Navigation Co., Ltd., Elder Line, Ltd., and Imperial Direct Line, Ltd. Elder Dempster & Co. is itself controlled by the Royal Mail Steam Packet Co. and is a part of that huge shipping combine. Elder Dempster's profits are partly derived from its own shipping, and come in partly from dividends from its investments in its subsidiary companies; as these companies only pay out a portion of their profits as dividends, the total profits of the group must be larger than those shown as Elder Dempster's profits, which have been as under:—

Year.	£	Year.	£
1913,	307,000	1923,	527,000
1920,	671,000	1924,	573,000
1921,	564,000	1925,	578,000
1922,	535,000		

The whole development of trade has been accompanied by the growth of special Banks in West Africa to finance all the operations involved. At the present time, after various amalgamations and

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consolidations, the two important Banks operating there are the Bank of British West Africa and Barclays Bank (Dominion, Colonial and Overseas). The latter is self-explanatory : it is a subsidiary of Barclays Bank operating outside Great Britain. The Bank of British West Africa was originally formed (in 1894) to take over banking business from Elder Dempster & Co. and other concerns. It is now controlled jointly by Lloyds Bank, Westminster Bank, National Provincial Bank and the Standard Bank of South Africa. It only remains to be added that Lord Kysant, Chairman of Elder Dempster, is also a director of the Bank of British West Africa and of the Midland Bank, Ltd.—which completes the representation of the "Big Five." In other words, the Banks operating in West Africa are in effect offices of the British Banks, and from the issue of a loan in London to the payment of wages on the laying of the railway lines, all the financial and transport operations are run by the same interests.

To sum up the conclusions of this chapter, the exploitation of West Africa by the allied groups of British finance and heavy industry requires the constant flotation of loans and the placing of contracts for railway material, bridges and harbour works on a steadily increasing scale. We have seen the process at work from the days of Chamberlain up to the days of Baldwin—and beyond, if the Ormsby-Gore proposals are carried out. The trading period is declining ; British West African products, instead of being exchanged for British-made goods, are to be brought in as interest on an immense accumulation of loans. The political implications of this process, and the parallel process of developing industrial production in West Africa itself, are examined in the following chapter.

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## CHAPTER VI

### THE COLONIAL STATE

FROM the facts which we have given in earlier chapters it is clear that something like three-quarters of the working population of British West Africa are peasant producers, engaged in agriculture or the collection of forest products. The proportion of wage-earners is still very small.

But the need for British capitalism to maintain itself by relying more and more on colonial investments as a source of profit must affect the economic development of West Africa as well as of every other colonial area. In the search for bigger profits, mass production on purely capitalist lines must supersede small-scale industry. This development has been held back in West Africa by natural conditions which have made it possible for the native peasants to produce a fairly large surplus beyond their own subsistence needs. But already it is generally believed that cocoa production on the existing system has almost reached its maximum, while the oil palm plantations of the East Indies give a much higher output per acre than the forest palms of Nigeria.

The problem, therefore, for British capitalism is to create a labour supply which can be applied to the development of large scale agriculture, and also to the subsequent processes of manufacture; and in forcing the Africans to become part of the capitalist machine British interests have to crush the resistance (whose full strength is still unknown) which springs from the natives' attachment to the land.

The first effect of the development of British trade with West Africa, after the slave-raiding

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period was, as we have seen, to establish new demands—a new standard of living—among the natives. It became possible for the Africans to purchase from Europe all sorts of manufactures which were unknown or (like native-woven cloth) only to be had for a much greater expenditure of labour before the penetration of British trade. It was the business of British interests to stimulate these demands, to encourage the natives to adopt new standards and to increase their material needs, and thus to develop the exchange of raw materials for manufactured goods out of which the British merchant made his profits.

This was the first stage. Next, having established a certain level of requirements among the natives, the agents of British interests in Africa combined to reduce the value which the native received so that he had to produce more to satisfy his needs.

The raising of the native standard of living which British influence undoubtedly achieved is itself the most powerful instrument for the increasing exploitation of the African worker. This is clearly recognised by the representatives of British capital.

“In fact, while high prices are a great stimulus to increased production, however paradoxical it may sound, low prices may equally be a stimulus to native production. A native peasant having acquired certain wants and a certain standard of living will work harder to satisfy those customary wants if he has to produce more to obtain the same money.” (5. *Report*, p. 109).

But increased needs and lower prices for the peasant had the further effect of increasing the supply of so-called voluntary wage labour. British capitalist governments, whose first hold on Africa was secured on the pretext of suppressing the slave trade, have always feared the political effects, both



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at home and in the colonies, of openly permitting forced labour for private enterprise. The African native, on the other hand, both in East and West Africa, is generally not at all anxious to work for a white employer. In East Africa the difficulty of creating a proletariat has been met by the various devices described in *British Imperialism in East Africa* (Chapter II.).

In West Africa, in the early days, the largest demand was for constructional work; and here the difficulty was got over by state-ownership of railways and harbours and the policy of employing forced labour *only on public works*.

But the demand for wage labour is growing and by some means or other a supply has to be found. The lower prices paid to the peasant meant that it became increasingly difficult to supply the needs of the family or household, and the tendency was for one or more members to seek other work. Either they must add to the supplies obtained from the land or forests by working new areas, or they must become wage workers. According to Lugard (3. *Dual Mandate*, p. 403) there is a large class

who are not disposed to settle down to agriculture, perhaps because the pressure of population in their own particular district has left no fertile land available, and they do not care to go elsewhere, more often because once having been induced to leave his home, the labourer has become impatient of tribal life,

and prefers to be a wage-earner. In other words, because the old tribal economy has been broken down by British interests, and no longer provides him with a living, he accepts the alternative of wage-labour.

But more definite pressure was necessary, particularly in areas like the mining district of Nigeria, and the State machine was made use of,

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as in East Africa, to provide an incentive through the system of taxation. In East Africa the method is a general hut or poll tax amounting to two or three months' wages, which (combined with the expropriation of the land) has compelled the natives to become wage-earners in order to pay the tax. In Nigeria a different method has been devised.

Peasant producers are taxed according to the amount of land under cultivation or the value of their production; in Northern Nigeria the scale is 10 per cent. of the gross profits, which amounts to about 25 per cent. of net profit. But for wage workers there is a flat rate of a shilling a month, representing only about  $3\frac{1}{2}$  per cent. of the average wage of 1/- a day; so that the man who becomes a wage-worker gets off much more lightly than the peasant, who has to pay a quarter of his yearly income in taxation.

In 1919, at the time when the pressure of low prices for West African products and high prices for European goods was being keenly felt by native producers, the weekly journal, *West Africa*, published an interview with a Nigerian mine-owner on the question of the supply of labour for the mines. Of the natives of Northern Nigeria he said:—

"They are taxed annually by the Government, and in many cases they realise that the easiest way to pay such taxes is to work for the money required instead of selling goats or farm produce. The Government is certainly doing all it can reasonably be expected to do in assisting us in the matter of labour." (*West Africa*, February 15th, 1919).

As the search for profits in West Africa grows more insistent, so also the demand for further measures to supplement the supply of 'free' labour will become more urgent. The introduction

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of the plantation system for palm products was strongly advocated by Lord Leverhulme who, in a speech reported in *West Africa* (July 11th, 1925), said that tropical products, notably oils and fats "can only be cultivated successfully on an organised basis by means of European capital."

The same view is held, though less emphatically, by Sir Frederick Lugard. In the 1920 Report on Nigeria, already quoted, he stated that the conditions of future success in West African trade include

the substitution for the haphazard collection of sylvan produce of cultivated products in well-organised plantations. (6. Cmd. 468, p. 34).

He does not, like Lord Leverhulme, definitely advocate the ownership of such plantations by European capitalists; but it is obvious that very few Africans could find the capital required to run a "well-organised plantation."

The fundamental difficulty in the way of setting up large-scale plantations in West Africa is the labour supply. When Lord Leverhulme attempted to establish compulsory labour on a concession in Sierra Leone, he was met with an absolute refusal from the local administration.

Colonial governors and other officials actually in the colonies have on the whole stood for a policy of limited interference with native land tenure; they have clung to the method of small peasant production and opposed the introduction of large-scale plantations and manufactures, on general principles of safety first. Large concessions meant further interference with native land tenure; to 'induce' the native to work for wages involved either forced labour or some way of preventing him from making a living out of the land. To enforce such proposals might lead to widespread

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revolt which would seriously injure existing sources of profit. The view of the local administrator was expressed by Sir Hugh Clifford, formerly governor of Nigeria :—

“ The sanest basis for great economic development in a tropical country is peasant proprietorship . . . the day when they (the Government in charge of African affairs) forget that the land is the African's, and attempt to convert it into freehold for the European they will lay the axe at the root of all that is best in, and all that makes for the solidity of, our rule of the West African Colonies.” (*Times*, June 18th, 1925).

To read the recent Report of the Under-Secretary for the Colonies, to which we have so often referred, is to realise that it was his mission, first to present a strong case for railway expansion, and secondly to put forward proposals by which the 'benevolent' policy of the local government would be modified or reversed by the imperial government in the interests of British capitalism.

His solution has the air of being a compromise. Actually it indicates the process of imperialist development by which the State machine in the colonies is more and more openly employed as the instrument of the British capitalist class.

Mr. Ormsby-Gore strongly disapproves of Lord Leverhulme's proposals and his "attacks on the Government" which have led the Africans to fear

that any changes in the conduct of the industry might involve the loss of ancestral rights to land, and would reduce the population from their present status of free producers to that of labourers for wages.

It is perfectly clear that the type of concession which Lord Leverhulme enjoyed in the Congo is out of the question in a British Protectorate, for it involves the provision by the Government of labour for the working of the concession. (*5. Report*, p. 107).

The British Government, he adds, has again and again declared that it will never undertake to

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provide compulsory labour for private profit. Yet, as he explains in the same chapter, native methods in the palm-oil industry are extremely wasteful ; not less than 50 per cent. of the oil is actually lost in the processes of production (p. 101). Modern mills are essential to the progress of the industry, but again there is the difficulty of getting supplies of fruit for preparation at a central factory,

a difficulty which arises from the fact that the supplying of fruit instead of oil-making and nut-cracking will involve a very great change in native family customs and internal village economy (5. *Report*, p. 103).

And so to keep the mills supplied, plantations are necessary. This is the dilemma ; factories are necessary for more production ; plantations are necessary to supply the factories ; and labour is necessary to work both the plantations and the factories. But in general, the natives still prefer to collect the fruit of the wild palm, to prepare it by their own methods, and to sell the oil for what they can get. They do not want to work in factories and plantations. And the British Government has said that in no circumstances will it provide forced labour for private enterprise.

What is to be done ? Mr. Ormsby-Gore has easily found a solution ; the same that has been applied for years to railways and harbours and coal-mining in West Africa. The State itself must start plantations.

" In regard to plantations it is clear that the Government will have to set the example in several selected places, if only as object lessons to the natives. There is no reason why the Government should not establish at any rate one considerable plantation in Nigeria. . . . Over and above these undertakings, there should be several alternative experiments in Government co-operation with private enterprise." (5. *Report*, p. 109).

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If factories and plantations are State enterprises, the difficulty about forced labour may easily disappear; they will become "necessary public works." But the surplus value which this forced labour produces will go into the pockets of British capitalists all the same; loans can be raised for plantations and oil mills, as well as for railways, to the advantage of British financiers and British bondholders. Revenue from these enterprises, if any, may be spent in interest on such loans; or the oil and other products may be sold at 'cost' prices to Lever's and other interested concerns. At the same time the Government, in its object lessons to the natives, will be introducing, as Mr. Ormsby-Gore says, a very great change in native family life and internal village economy; it will be creating and training a labour supply for capitalism.

The extent of state exploitation of West African workers, as it already exists, can be roughly measured by a comparison of revenue with expenditure on services which are of direct benefit to the native population.

Detailed figures of public income and expenditure in the Gold Coast are given in the Annual Report for 1924-25. The total revenue was £3,971,000. The direct expenditure (apart from public works undertaken partly in the interests of health) on education, sanitation and medical research was about £253,000. A nearly equal amount was spent on prisons and police. The cost of education, the economic purpose of which is to make the natives into "better consumers and better producers" (McPhee) was £116,000; 3 per cent. of the revenue.

With regard to sanitation and medical research, it has to be remembered that only a small part of

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the public health expenditure is really undertaken for the benefit of the natives. Medical services have been established in towns and other productive areas partly because, with a limited labour supply, it was necessary to check disease and raise the standard of physical fitness among the natives ; but very largely these services were directly for the health of the white population and only indirectly for the natives. The "white man's grave" had to be made healthy so that a few thousands of the ruling race could live there ; and the draining of swamps and other costly measures for the prevention of malaria (the chief danger to Europeans) were accordingly carried out with great energy.

In so far as the value of native labour is absorbed by taxation, of which only a fraction is spent on the natives themselves, both peasants and wage workers are exploited by the State machine, but the majority of wage workers are also the direct employees of the State ; their labour power is bought for a wage of 9d. to 1s. 6d. a day. These conditions are imposed on them not by the power of individual employers, but by British capitalism centralised in and controlling the colonial administration, and therefore having at its disposal all the apparatus of government to compel submission. For example, Nigerian tribes or villages which attempt to resist the further encroachment of British rule are liable to punishment under the Collective Punishment Ordinance of 1915, enacted by Sir Frederick Lugard. This measure provides that the Governor may impose fines "on all or any inhabitants of any village or district or members of any tribe or community" for a number of offences. Among others,

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"That their conduct has been such as to require the employment of soldiers or police against them for the purpose of suppressing disturbances or enforcing lawful orders or the payment of taxes leviable under the law of the Protectorate." (*Nigeria Ordinance 20, 1915*).

A whole village may therefore be fined as a punishment for having been attacked by police or military; and if the tax is not paid within three weeks of the date fixed, "the movable or immovable property of all or any of the persons upon whom the fines have been imposed" may be seized. The effect of such measures, and of the whole system of forced labour and State employment, is to compel the natives to recognise as their oppressors not the individual white man but the Government.

New capitalist enterprise, involving the bringing over of increasing numbers from the peasants to the wage-earning class, and a more definite interference with tribal land and the economic life of the villages, is inevitably leading to a direct conflict between the State and the native population. The very policy which has given Nigeria its reputation as a "model" colony has been operated through tribal control and has left a comparatively strong native organisation; and while it is true that the chiefs are dependent on the British authorities for their present share of the revenue from taxation, they are not salaried servants, but are themselves taking what they can get out of native production. In the Gold Coast, many of the native chiefs are direct employers of labour on cocoa farms, and together with the native merchants and shopkeepers of the coast towns, form the beginnings of a native capitalist class which is already becoming important.

The reduction of prices to native producers affects the profits of the native employer as well as of the small peasant, and with the opening up of



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plantations and crushing mills, new opposition will be aroused, not only among the workers who are forced to accept wage labour, but among the peasant producers whose markets will disappear, and the native employers who will find themselves at a constant disadvantage in relation to large-scale enterprise backed by the apparatus of the Government.

Thus British policy, directed by the Colonial Office in the interests of British industrial and financial groups, is concentrating the resistance of all sections of the population of West Africa into a more or less conscious opposition. At the same time an essential part of the actual economic development is the building up of a proletariat; and with the growth of the wage-earning class the discontent of all other sections will find articulate leadership.

It may be that the awakening of West Africa will come only as a part of a wider movement involving the colonial areas of South and East Africa; but it is possible that the very "prosperity" of West Africa—the fact that the volume of production out of which profits can be made can be enormously increased by capitalist methods—will lead to a rapid process of industrialisation which must hasten the conflict.

In any case, it is of vital interest to the workers and peasants of West Africa that British workers should understand their conditions and should realise how the "model" colony is being used to relieve the difficulties of capitalism at home by means of increasing the exploitation of colonial workers. This exploitation of Colonial workers means more unemployment in Britain, and thus British imperialism shows itself as the common enemy of both the organised workers at home and the new proletariat of the African colonies.

