‘Developmental’ Divergences And Continuities Between Colonial And Pre-Colonial Regimes: The Case Of Asante, Ghana, 1701-1957

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This paper is intended to contribute to the debate, dating from the colonial era itself, about the effects of colonial rule on the economic development of the colonized territories. Specifically, I adopt an approach suggested by the organizers of this workshop: of systematically comparing colonial and post-colonial regimes in the same physical space. This method has the merit of countering the tendency, still found in influential works (e.g. Acemoglu, Johnson & Robinson 2001), to ignore the possibility that pre-colonial arrangements and indigenous actors may have influenced the developmental outcomes of the colonial period. Systematic comparison should permit better identification of the differences genuinely wrought by colonization.

Given that the focus of the comparison is states, this exercise can most conveniently be carried out where colonial boundaries approximated to pre-colonial ones. This was not common in Africa. In West Africa, as close a fit as is available is provided by Asante (or Ashanti). The kingdom of Asante, founded in (or just before) 1701, was occupied by the British in 1896. Today the core regions of the former kingdom comprise the Ashanti and Brong-Ahafo regions of the Republic of Ghana. It is well known that the name ‘Ghana’ was adopted at independence by the independent government of what had been the Gold Coast. It is not well remembered that ‘the Gold Coast’ as an integrated administrative, judicial and political entity was barely a decade old (Wilks 1998: 173-4). Before that the British governor in Accra had presided over four distinct colonies, one of which was Ashanti (formally declared a Crown Colony in 1901). The ‘Gold Coast Colony’ comprised the territory to the south, between Asante and the Atlantic. The continued salience of Asante as a political identity was highlighted during the intense intra-African political struggle that preceded independence, centred on the powerful though ultimately unsuccessful campaign of an Asante-based political party, the National Liberation Movement (NLM), to win a federal constitution for Ghana, in order to secure Asante autonomy (see Allman 1993). Given the strength of Asante nationalism throughout the colonial period, and the generally close conformity of the borders of colonial Asante to those of the kingdom the British seized in 1896, it is meaningful to compare pre-colonial and colonial Asante.

I draw the general heads of comparison from the theoretical literature on imperialism and economic development. Did the pre-colonial state perform the ‘Northian’ role of defining and enforcing private property rights (North & Thomas 1973; North 1990); if it did not, did the colonial state fulfill its historic mission as defined by Karl Marx, of destroying pre-capitalist social relations of production and establishing capitalist ones (Marx 1853)? Was the pre-colonial regime a rentier one, as has often been thought of preindustrial states in general (Jones 1988); did the colonial state ‘set up extractive’ institutions ‘with the intention of transferring resources rapidly to the metropole’, as maintained in a recent rational-choice variant on dependency theory (Acemoglu, Johnson & Robinson 2001: 1395)? Did either regime possess the kind of authority, motivation and resources required of an impartial and effective referee of the market, as appropriate for development capitalizing on the economy’s comparative advantage at the time in question (as in the Northian model, and also in staple theory);[1] and did either have the more exceptional capacity to be a 'developmental state', capable of interventions which would successfully shift the economy to a site of higher-value added comparative advantage (as seen, in particular, by the Hirshman [1958]-Gerschenkron [1963]-Amsden [1988]-Wade [1992] tradition)? The substantive discussion will begin with the state, and move on to property rights and rent-seeking.

The states' authority, resources and aims

It is well established that the distribution of power and authority within the Asante kingdom became gradually more centralized during the eighteenth and early nineteenth centuries. When it was formed, to defeat an unwelcome overlord, the *Asanteman* (Asante state) was a confederacy of major ('paramount') chieftaincies led by the largest, Kumasi, which supplied the ruler (the *Asantehene*). As Asante's conquests continued, the lion's share of the territory and tribute accrued to the *Asantehene* and lesser Kumasi chiefs, though the provincial paramountcies were not left out. The *Asantehene* established central authority that went far beyond 'first among equals', if indeed that was the original model. An important symbol of this was the *Asantehene*'s reservation to himself of the power to carry out capital punishment (Wilks 1975).

[1]For a comparative perspective on staple theory in the context of empire see Schedvin 1990.

The nature of state authority: bureaucracy, patrimonialism, and indirect rule

In his pioneering studies of the Asante state, Ivor Wilks argued very strongly that in this process of centralizing authority at the expense of the provincial chiefs the monarchy established a genuinely 'bureaucratic' administrative structure, with recruitment and promotion by merit (Wilks [esp.] 1966, 1975). Critics have maintained that another Weberian term, 'patrimonial', i.e. personal rule, better describes the system (Arhin 1986, Yarak 1990; compare McCaskie 1995 and Wilks's responses in Wilks 1989, 1993). The debate has focussed on what Wilks calls the 'service stools', whose occupants performed specific roles in the central government (a 'stool' is the chiefly equivalent of a European throne). These stools were created by the *Asantehene*, and their non-traditional character was highlighted by the fact that they were inherited patrilineally rather than matrilineally, in contrast to established Asante stools. My sense is that they are most accurately seen both as offices and as chieftaincies. The fact that they were hereditary is hard to reconcile with a bureaucratic model. This does not mean, however, that this system could not offer 'careers open to talent'. The aim was evidently to make the central government more effective administratively as well as to secure its loyalty to the person - and office, as Wilks would rightly emphasise - of the monarch. There seems no doubt that the latter was perceived as an extremely powerful, indeed fearful figure, within Asante and beyond until 1874 at least.

There has been recent debate about the viability of the *Asanteman* within the international system (Warner 1998, 1999, 2000; Hopkins 1999, 2000). My view is that in so far as there was an economic reason why the survival of an independent Asante kingdom became unacceptable to the British by 1896, it was not that the kingdom was incapable of making 'credible commitments' to capitalists, foreign and indigenous, but rather that the policies which had made it economically viable after the closing of the Atlantic slave market, including a national monopoly of the transit trade across Asante territory between the Gold Coast to the south and the savanna hinterland to the north, were increasingly unacceptable to the self-appointed champion of free trade imperialism (Austin 1995).

The system of government in British West Africa was ‘indirect rule’, in which the lower administrative and judicial functions were performed by chiefs. This was no mere delegation of authority and power. Rather, the British intention was to harness the legitimacy (socially-recognised authority) and therefore power (plus the local knowledge) of indigenous rulers to their own bureaucracy, in the hope of minimizing both disorder and colonial government expenditure.

The system entailed a potential contradiction, which from time to time became real: the stronger the legitimacy the chiefs enjoyed in the eyes of their subjects, the more effective they could be in implementing colonial policies; but at the same time, their legitimacy with their subjects required that they be seen as ruling primarily on their own authority, rather than as the sanctioned agents of foreign rulers.

This lay behind a major reversal of British political strategy in Asante. They began, in 1896, by exiling the *Asantehene* Agyeman Prempe and proceeded to declare the office abolished. In 1935 they re-recognised it, restoring the office under Agyeman Prempe II (Tordoff 1965). The calculation that seems to have underlain this reversal was that in the absence of the *Asantehene*, the colony proved unexpectedly hard to govern in an orderly manner, ultimately because the chiefs that the British recognised failed to command popular loyalty - especially those chiefs installed by the British in place of chiefs who had opposed colonial rule (notably by participating in the armed rising of 1900 known as the Yaa Asantewaa War).

More generally the contradiction within indirect rule pushed chiefs to protest against, or even disregard, colonial policy when it was seen as conflicting with the interests of their own subjects. For instance, between 1927 and 1938 there were four ‘cocoa hold-ups’ in Asante (in the two larger cases, 1930 and 1937-8, the hold-up also applied in the Gold Coast Colony). These were organised refusals by African farmers and traders to sell cocoa to European firms, in protest at the formation by the latter of a series of price-fixing cartels. Under colonial legislation, no-one could be compelled to abstain from trade by threats of physical force or of being arrested or fined by a chief’s court. But there is considerable evidence not only of the chiefs wanting to use their influence and indeed power to ensure that the hold-ups were obeyed, but also that they were expected or required to do so by most of their subjects. In the early hold-ups the Asante chiefs were forced to withdraw at least their overt support for the hold-ups by government pressure (for example, in 1930 the spokesman of the chief of Manso Nkwanta was sentenced to a month’s imprisonment with hard labour for compelling people to abstain from a lawful act, the selling of cocoa; while the chief was also convicted, though rebuked rather than punished). In 1937-8, on the other hand, the scale of the hold-up movement was the largest ever, covering virtually the whole ‘Ghanaian’ cocoa belt and being sustained almost to the end of the season, when it was called off to allow a commission of enquiry to operate. Faced with an unprecedented level of popular mobilization (and, as we shall see, angered by the European firms’ behaviour) the administration seems to have taken a much less pro-active line this time, with the result that both the farmers and the European merchants were united in the belief that the chiefs were using their influence to endorse and strengthen the hold-up, even while they assured the commissioners of their neutrality (Austin 1988). Thus, overall, the outcomes of indirect rule in Asante, as in comparable British colonies (Fields 1985; Berry 1993; Spear 2003), reflected the fact that the relationship between the colonial state and indigenous chieftaincy was a balance of forces, mediated by daily negotiation and highlighted by occasional clashes.

A further tension within indirect rule concerned the different forms of authority and related differences in ways of monitoring the performance of officials. This came into sharpest focus over chiefs' budgets. The colonial government introduced rules for 'Native Authority' (chieftaincy) treasuries, an episode which Nana Arhin Brempong sees as the debut of bureaucracy in Asante governance (Arhin Brempong, forthcoming). As independence approached the British sought to introduce Western-style representative government at local level, with a companion bureaucracy. Arhin Brempong argues that these colonial interventions proved ephemeral: that bureaucracy gave way to a restored patrimonialism at all levels of government (Arhin Brempong, forthcoming).

Fiscal and other resource constraints

A basic - arguably, the overwhelming - reason for indirect rule was that the colonial government was fiscally hamstrung. For much of Asante's colonial period the imperial treasury in London was committed to the principle that the revenues from each colony should cover the costs of administering it. This was relaxed in later years, especially after 1945, but not by enough to make much difference before Ghanaian independence. In this context, the fiscal problem of the colonial state showed important continuity with that of the pre-colonial kingdom: that it was difficult to raise large revenues from regular taxation. In an economy in which labour was scarce in relation to land, household self-sufficiency in staple foodstuffs was very widespread, and therefore regular food markets were very limited (Kumasi was an exception, but on a scale which qualifies rather than falsifies the generalization). This in turn meant that there was little scope for a tax on lands or agricultural yields; unless the state possessed the executive capacity to coerce the population to sell to a market of its own creation, as in the Habib model of Mughal India (Habib 1969).[2] But there was a chicken-and-egg problem here which Asante, like most if not all Sub-Saharan pre-colonial states, was unable to overcome (cf. Herbst 2000). Militarily strong though the Asante kingdom was, it lacked that capacity for daily, detailed coercion at grassroots level (Austin, forthcoming). In this context, state revenues derived from various taxes and rents on marketable output and self-acquired wealth, plus tribute from subordinated rulers and war booty. In much of the continent colonial regimes responded to the shortage of taxable agricultural output by imposing poll taxes of one form or another, a function of which was to force people to seek cash incomes, even if at the cost of reduced subsistence output.

In Asante - and, with varying qualifications - in the other major cocoa-producing colonies of British West Africa (the Gold Coast Colony and Southern Nigeria) the adoption of an unusually valuable export crop enabled the British administration to rely on customs (mainly import) duties, rather than direct taxation, as its main source of revenue. There was no head or income tax in colonial Asante. The regime went a step further during and following the Second World War. A state monopoly of the export of major export crops was introduced in British West Africa, and other British tropical colonies, in 1939. This was initially a wartime expedient, designed to enable

[2]For a different and more recent view of the reality, see Richards 1993.

the government to limit the expected collapse of producer prices and thereby keep economic distress in the colonies within politically manageable proportions. In the later years of the war, however, export market prices revived and by the end of hostilities the statutory marketing board had turned out to be an extremely effective method for taxing the main source of marketed output in the colonies concerned. In the case of the now integrated colony of the Gold Coast (including Asante), the Cocoa Marketing Board was institutionalised as a permanent arrangement in 1947 (Alence 2002).

The ‘discovery’ of the marketing board system appeared to transform the fiscal base of government south of the Sahara. It was the bedrock of the much increased levels of government expenditure that accompanied decolonization in Ghana and much of the rest of the continent. Post-colonial experimentation was to prove that, as a solution to the budget constraint on governments in land-abundant Africa, it had its limits too. For regimes such as those of Ghana in the 1970s and early 1980s, which set the real producer price at a small fraction of the world market price (mainly through raising the level of implicit taxation by supplementing the marketing board price differential with currency over-valuation) found themselves faced with a de facto tax revolt, as producers bypassed official markets and sold to smugglers instead (Austin 1996B). But for now, in the 1950s, the Cocoa Marketing Board’s rake-off provided the means to gild decolonization with brass if not gold. Ghana reached independence in what appeared to be a relatively healthy position to support a substantial development programme: buoyant tax revenues and substantial foreign exchange reserves. It is often argued, and fairly, that these were spent inefficiently by Kwame Nkrumah’s government (ultimately overthrown by military coup in 1966). But it is also true that this position was fragile,[3] being in part the product of a favourable phase in the volatile movement of the world price of cocoa (Rimmer 1992).

Aims of state

It is important to avoid the reductionist assumption that either pre-colonial or colonial regimes were necessarily motivated primarily by economic goals. Both were sufficiently detached from their respective social bases (indigenous and metropolitan, respectively) to regard government almost as an end - indeed *the* end - in itself. To a British visitor in 1820 *Asantehene* Osei Bonsu indignantly rejected any hint of the suggestion that Asante fought wars in order to capture prisoners so that the latter could be used to garner profits from the export trade. '"I cannot make war to catch slaves in the bush, like a thief. My ancestors never did so. But if I fight a king, and kill him when he is insolent, then certainly I must have his gold, and his slaves, and the people are mine too."' (Dupuis 1824: 163). In the case of the colonial administration, reading their internal correspondence conveys no sense that the commissioners saw it as their mission to make it easier for European companies to make profits. This is highlighted by their clash with the European cocoa-buying companies in 1937-8 over the latter's formation of a price-fixing cartel which provoked a producers' 'hold-up' (refusal to sell cocoa to the European firms). The commissioners were infuriated by the fact that the companies' action, because it was provocative to most of the indigenous population, imperilled order in the colony. They were equally annoyed by the fact that the companies, who had not consulted or informed the administration in advance about their intention to introduce

[3] As some recognised at the time: see memorandum by F. E. Cumming-Bruce, 20 June 1955 (UK Public Record Office DO 35/6178, 17a), reproduced in Rathbone 1992, II, 383-5,

this buying agreement, nevertheless expected it to denounce the hold-up and to take active steps to ensure that it was not coercively enforced by chiefs and the farmers' organization. For their part the companies felt let down, even betrayed, by what they saw as the pusillanimous attitude of government officials. The administration retained its stance of neutrality throughout the dispute, thereby angering the African farmers as well as the European merchants, both of whom believed that the government favoured their opponents. It took intervention from London to end the stand-off, after nearly the whole cocoa season had passed in commercial inactivity: the Colonial Office appointed a commission to investigate the issues, and in that context persuaded the companies to suspend their cartel, which in turn led the farmers to end their hold-up (Miles 1978; Austin 1988; Alence 1990-91).

On the other hand, both regimes had strong incentives to assist rather than impede economic expansion, where they could. They stood to gain higher output, both in security and in revenue. Most of the successive monarchs and chief commissioners who headed the government in Kumasi followed policies generally favourable to the making of money within the societies over which they presided; and both were relatively successful at doing this. The Asante wars of expansion in the eighteenth century may have been inspired by an ideology of military prowess ('"Ashanti is a country for war, and the people are strong"', said their ruler in 1820 [Bowdich 1824: 163]). But the acquisition of gold was both economically and symbolically at the top of the state's aspirations (McCaskie 1983; Wilks 1993: 127-67), and the geography of expansion helps to explain why these wars clearly paid for themselves: the specific targets tended to be areas containing gold or other commercially-valuable resources, or trade routes (Arhin 1967). A key

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frustration for Asante policy was that the year they finally succeeded in establishing military control over the coast, enabling them to bypass the coastal intermediaries and deal directly with the British, was also the year in which the British parliament voted to withdraw from the slave trade (1807). For their part, to judge from their internal correspondence, the colonial administrators of Asante believed in orderly exchanges, rarely questioned the value of free markets, and believed strongly in road-building (roads 'open up the Country in a wonderful manner and spell moral as well as material progress', enthused Chief Commissioner Fuller in 1912),[4] to which they devoted much of their time and budgets. Thus their efforts reduced transaction and transport costs for the private sector, European and indigenous.

The state and economic change

I will argue below that both regimes upheld property rights in factors of production, though not always the same kinds of rights; and that the *Asanteman* secured, and the British broadly upheld, an Asante monopoly over the commercially-valuable natural resources of the country - resources that were scarce in the local region. The issues of state monopoly under the independent kingdom, and of European private monopolies within the colonial economy, will also be considered below. We will thus return to the 'Northian' credentials of the respective regimes.

But did either of them undertake the 'Schumpeterian' role of intervening to try to transform the structure of the economy, perhaps 'upgrading' the economy's comparative advantage? Not exactly, but the pre-

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[4]National Archives of Ghana, Kumasi, D1913, 'CCA's Tour of Inspection to the South Eastern (*sic*) and East of Ashanti - Report on' (Ashanti MP 8/12), F. C. Fuller to Colonial

colonial kingdom can be said to have led the re-orientation of the Asante economy in response to the closing of the Atlantic slave market, notably by establishing an entrepôt market at Salaga, in the savanna but not far from the northern limit of the Asante forest, where Asantes could trade with savanna merchants (Wilks 1971). Though this trade was not new, by designating it as the official market for such exchange, and providing some security against banditry and other threats, the *Asanteman* did much to facilitate the export of kola nuts from Asante, in exchange for slaves and other goods (Lovejoy 1980), which was one of the foundations of what seems to have been a considerable expansion of extra-subsistence production in Asante in the first three-quarters of the nineteenth century (Austin 1995; see also LaTorre 1978).

By constructing a railway to Kumasi, the colonial regime introduced mechanized transport to Asante. In a region in which animal sleeping sickness (*trypanasomiasis*) prevented the keeping of large animals, whether for transport or for agricultural use, this was a watershed. Asantes themselves were among the first to import motor vehicles into the colony, in the 1910s. A Kumasi chief who had set up a commercial transport business was unfortunate enough to suffer the loss of no less than six lorries in a fire in 1917 (Brown 1972: 101-2).

As the colonial period went on, the size of the state began to increase - with the major interruption of the two world wars and the Depression - in that there were an increasing number, not only of administrators, but also of technical specialists, most obviously in agriculture (especially but not exclusively concerned with export crops) and road-engineering. Until the 1940s, the value of colonial agricultural extension advice was modest or

Secretary, Kumasi, 25 March 1912.

non-existent, because it took little account of the economic and environmental conditions under which Asante farmers operated (Austin 1996C). From the 1940s, however, colonial scientists working at Tafo in the Eastern Region of the Gold Coast Colony began to make important advances: diagnosing the cause of swollen shoot disease of cocoa (though not finding a cure other than cutting out trees), and developing new varieties using fresh imports of planting material from South America. This research, like the road building at the initiative of both Asantes and the colonial regime, strengthened the economy, but did so in ways that reinforced rather than modified its existing comparative advantage. Compared to the precolonial kingdom, the colonial state had resource advantages in information which were not entirely due to having many more literates working within and with the administration. Nineteenth-century rulers had only a fairly vague sense of how wide Asante territory was (Wilks 1993: 189-214); the colonial administration soon established precise information on that, and, much more gradually and problematically, developed better data on the size and composition of the population. Better information was one reason why there was some official talk of 'development planning', especially from the 1940s. After the Second World War the government considered investing in manufacturing, but largely drew back (Butler 1997), having concluded that this would cost more money than it would create - a view which in the short run was borne out by the efforts at import-substituting industrialization during the Nkrumah era (Rimmer 1992). On the whole, right to the end, colonial economic policy can be described, in Cyril Erhlich's phrase, as 'building and caretaking' (Ehrlich 1973).

Property rights in labour, land and capital

The British did not introduce property rights to Asante. Very much to the contrary, a detailed range of rights to the exclusive use of different kinds of resources in particular ways existed by the time many of the country's institutions were first recorded in print by European visitors in the late 1810s. While they continued to evolve, the indications are that the legal categories and their usage was no recent innovation (see Bowdich 1819, Dupuis 1824). Two features are particularly important for the present discussion: the Asante distinction between ownership of the land itself, and of what stood on it; and the centrality of property in people.

Land itself was considered to belong, at least originally, to chieftaincies rather than individuals. In principle it could be alienated, though this was supposed to be a last resort. On the other hand, individuals who cleared land for cultivation, or cleared the bush surrounding commercially-valuable forest trees, or who dug shafts to mine gold, thereby established their (and their heirs') use rights to the plot, or their ownership of the kola or rubber tree, or gold pit. Thus individuals could, and regularly did, own the capital assets they created. There were quite numerous instances of lands themselves being alienated in the eighteenth and nineteenth centuries, often in settlement for a debt imposed on the original land-owning chieftaincy by the *Asantehene* (Wilks 1975; McCaskie 1984). These politically-compelled alienations do not compromise the generalisation that there was no real market in land itself. The same could be said of rights of access to kola-collecting, rubber-tapping and gold-winning opportunities; but here the fact that such rights were wealth-generating was reflected in the practice of chieftaincies charging rents (usually of one-third of the proceeds) to producers who were not their own subjects. Some chiefs applied this to their own subjects too (Austin, forthcoming).

Property rights in people, pre-colonial and early colonial

The most ubiquitous sources of labour were a man or woman him or herself, assisted by their children and in some contexts by their spouse(s) (see and compare on this Allman and Tashjian 2000; Austin, forthcoming). Recruitment of labour from outside the household required purchasing or otherwise obtaining a slave, giving a loan in return for a pawn, or, in the case of chiefs, calling on the labour services of subjects. There was thus a repertoire of rights in persons, underpinned by coercion and, in the case of pawning and *corvée*, also an ideology of obligation. Individuals might buy and sell slaves, who were usually (in the first generation) foreigners, bought from the northern savanna. Individuals might also acquire pawns, but because in Asante inheritance was matrilineal, the debtor's matrilineage was ultimately responsible for repaying the debt. Hence a pawning was fundamentally a contract between different matrilineages. Should the pawn die or run away before the debt was repaid, the indebted matrilineage was required to supply a replacement. In turn, when (typically) a man gave his sister's daughter or son in pawn, the pawn was expected to serve in that role out of family duty (Austin, 1994; Austin, forthcoming).

The colonial invaders immediately prohibited the trading of slaves, in 1896, but it was more than twelve years later, in June 1908, that slavery and pawning were prohibited in Asante. *Corvée* was used by the colonial authorities themselves in their first few years, primarily to carry baggage before the railway from the coast to the Asante capital, Kumasi, was completed in 1903. After that, chiefs' right to summon work parties of their subjects, to make cocoa farms and for road work, remained the main instrument by which chiefs got road building and maintenance done until the Forced Labour Convention of 1930 and even beyond. Very gradually, the colonial government moved on from reluctant measures against property in labour to providing a legal framework for labour contracts. Partly in retrospect, it provided a legal framework for the transition to hired labour (enabling migrant labourers to sue for unpaid wages, for example, as some did in the 1930s), and especially for its consolidation (from the 1940s, requiring registration of labour contracts). (Austin, forthcoming)

What motivated this reliance on labour coercion, before and into the colonial period, was a stark scarcity of labour in relation to cultivable land. Physically, the population needed much less than the available land to feed themselves. According to the 1921 census, which though acknowledged to be an understatement, is thought to have been the first census to come fairly close to reality, the population numbered 406,640, a ratio of 16.7 per square mile (de Graft-Johnson 1969). Retrospective calculation and contemporary observations concur that, except in the immediate vicinity of Kumasi, the land-labour ratio was such that land could be fallowed for 15-20 years (Johnson 1981; Wilks 1993: 41-90; Austin, forthcoming). In this setting, and with no apparent scale advantages in production, nobody needed to work for anyone else unless coerced to do so. I argue elsewhere, on both qualitative and quantitative evidence, that nineteenth-century Asante was a very strong case for the Nieboer-Domar hypothesis: that without coercion, there could have been no labour market (Austin, forthcoming).

Slaves were imported into the forest zone of what is now Ghana before the formation of the Asante kingdom, a period in which a number of smaller Akan-speaking polities were founded based on gold production and subsistence agriculture (Wilks 1993; Kea 1982). During the eighteenth century, the Asante kingdom’s activity as a major supplier of slaves to the Atlantic trade was consistent with the retention of additional captives within the country. With the closing of the Atlantic slave market early in the nineteenth century, slave prices fell on the coast and in Asante’s savanna hinterland. The Asante economy adjusted to the loss of what had been its major export market by increasing sales of gold (mainly to the British at the coast) and, as mentioned above, of kola nuts to the savanna (Austin 1995). Slave holding within Asante seems to have expanded greatly, taking advantage of the lower prices of slaves, and thereby fuelling the expansion of extra-subsistence commodity production; a further phase in which was the wild rubber boom of the 1880s and 1890s (Austin, forthcoming).

The ending of property rights in people

Colonial rule by itself did not reduce this economic imperative for slavery and other forms of coerced labour. Even as of 1908, it cannot be said that the prohibition of debt bondage and slavery was induced by changing factor ratios. The one significant change in agricultural land use since 1896 had been the introduction and the beginning of the spread of cocoa cultivation. This was largely by indigenous initiative, though from 1903 the effect of the railway in reducing transport costs made cocoa production even more attractive. But by 1908, even on the highest plausible figure, the area under cocoa would have been barely one per cent of the Asante land area. This was still overwhelmingly a land-surplus economy; and one in which a large part of the labour invested in making cocoa farms came from the obligatory services of pawns, slaves, descendants of slaves, and *corvée* levies (the latter being responsible for the first generation of chiefs' farms, which were commonly the first cocoa farms in their communities). Moreover, because Amelonado cocoa trees take several years to come into bearing, most of the cocoa planting was yet to yield cash to permit the luxury of employing wage labour. The internal correspondence of the colonial administration contains no suggestion of an economic motive or even rationale for abolishing property rights in persons. Rather, the reform was imposed on reluctant ‘men on the spot’ by higher authority, the governor in Accra overriding the objections of the commissioners in Asante. Tolerating slavery was apparently unsustainable in terms of broader imperial policy and contemporary metropolitan politics (Austin, forthcoming).

Thus colonial rule initially undermined one key area of property rights in labour, by ending fresh imports of slaves, and after much delay and with considerable reluctance at local level, finally prohibited slavery and debt bondage. The British offered no compensation to owners for loss of property, and from 1908, slave owners were not entitled to receive compensation from private sources (typically the slaves’ families) either. Had it not been for the increasing number of cocoa farms which came into bearing during the following years, abolition of these institutions would presumably have resulted in lower borrowing (with pawns no longer available as collateral) and lower output of extra-subsistence goods. As it turned out, cocoa came to the rescue of the cash and export economy, and thereby of colonial revenues (dependent on customs receipts). Cocoa receipts enabled masters to convert themselves into employers. By the final year of colonial rule, 1956-7, hired labourers outnumbered owners on cocoa farms by 2: 1. Meanwhile, the fact that cocoa trees were fixed assets - capable of yielding income for three to five decades - made them acceptable as collateral to informal lenders (though not to banks). The proliferation of farm pledging, especially during the Depression of the early 1930s, alarmed the colonial government. But in general this was not a debt trap. By the end of colonial rule, helped by the high cocoa prices of the early 1950s, pledged farms were less common (Austin, forthcoming).

Land tenure under colonial rule: security of usufruct without land titling

The rapidly growing area under cocoa - a ‘permanent’ crop, trees bearing for 30 years and more - gave cultivation rights a market value for the first time. A market in cocoa farms soon appeared, though by the 1930s the purchase market was overshadowed by the credit market which became the main forum in which cocoa trees were transferred for cash. These contracts usually took the form of pledges rather than mortgages, i.e. the creditor took over the cocoa farm until repaid. Meanwhile, chiefs applied to agriculture (cocoa farms) the rule previously relevant only to extractive activities (mining, tapping and collecting), that strangers (non-subjects of the particular chief should pay what was in effect a rent for the use of natural resources. From the 1910s the opportunity to gather cocoa rents, and to a lesser extent the hope of leasing mineral rights to European mining companies, for the first time impelled chieftaincies to get their borders precisely defined. Inter-stool boundary stools were prolific and recurrent throughout the colonial period.

Because of the widespread adoption of cocoa cultivation, the colonial government faced issues of land policy which had not arisen under the pre-colonial kingdom. There was a perennial debate within the colonial regime over whether it should legislate to establish individual ownership of land, most obviously through compulsory registration of title (Phillips 1989; Austin, forthcoming). Despite articulate and influential advocacy of that course of action, the government never adopted it. This may seem to be evidence for the dependency as opposed to the orthodox Marxist understanding of the implications of colonial rule for the development of capitalism on the periphery of the capitalist world economy: namely that colonial policy was not to replace pre-capitalist institutions by capitalist ones, but on the contrary to preserve the former, using them to subsidise the capitalist system, the contention being that the supply costs of raw materials such as cocoa beans would lowered to the extent that the factors of production were obtained outside the market, notably through family labour and pre-market land rights (as in subjects' low-cost access to lands owned by their own chieftaincy) (cf. Meillassoux 1972; Bernstein 1978). From a 'new institutionalist' perspective, Kathryn Firmin-Sellers has argued for the neighbouring Gold Coast Colony, also a major cocoa-growing area, that the colonial administration failed to establish secure individual rights in land, and that this outcome discouraged investment (Firmin-Sellers 1996).

But such conclusions underestimate the colonial interventions in land rights. As far as ownership of the land (soil) itself was concerned, the administration in Asante devoted much of its commissioners' time to demarcating chieftaincy boundaries, in the hope of resolving or averting disputes. Admittedly, its efforts were slowed and blunted by lack of skilled staff for surveying. But for agriculture, ownership of the soil were much less important than ownership of the assets created on it by human action. Crucially, the colonial administration in Asante consistently and explicitly protected and enforced the farmers' claims to ownership of the cocoa trees that they had planted. Irrespective of the outcome of inter-chieftaincy boundary disputes, the victorious chief was not allowed to evict farmers from what were now declared his lands, whether those farmers were his subjects or not. Thus investments in cocoa farming - especially the creation of fixed capital assets, i.e. stands of cocoa trees - were secure in law and in executive practice. That this was perceived to be so by the farmers themselves is supported by the fact that there were two massive investment (planting) booms in Asante and in what is now Ghana as a whole: the one which launched cocoa production in Asante, c.1900-1916, and one during the decolonization decade of the 1950s. The 'failure' of the colonial state to introduce compulsory registration of title, whether to farms or to land itself, is to a large extent attributable ultimately to the fact that this expensive reform was demonstrably unnecessary for the creation and renewal of the Ghanaian cocoa-farming industry as the largest in the world, and of Asante as a major (from 1943-4), the majority) contributor to this (Austin, forthcoming).

Rentier states? Monopolies, extraction and economic growth

By ‘economic rent’ is here meant surplus above opportunity cost: which may be equated with income obtained from exploiting inelasticities in supply.[5] In Asante the state was involved in the capture of rents in several ways, which may be summarised in two sets: the use of state power to secure for Asantes ownership of resources that were scarce within the wider region; and the role of the state in creating or permitting monopolies in particular areas of economic enterprise within Asante.

Asante control of natural resources

Land was abundant in West Africa (Hopkins 1973), but not homogenous. At the level of the broader economic region within which Asantes sought to survive and prosper, one could say that the key to securing supplies of the scarce resource, labour, was to control access to

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[5]Cf. Coase’s definition: ‘the difference between what a factor of production earns in the activity under discussion and what it could otherwise earn’ (Coase 1988: 163). Under perfect market conditions all factors would receive their marginal product, so the actual return would equal the opportunity cost and therefore no rent would exist. Rents arise from departures from such conditions. Specifically, they arise if the supply of the resource in question is less than perfectly responsive (elastic with respect to) to price changes. For an exposition of the concept of economic rent, followed by a historical application, see Evans and Richardson 1995.

the more valuable lands. The military power and lands policy of the state was crucial here.

The Asante conquests of the eighteenth and early nineteenth century reached their widest extent in 1807, when the coast was occupied. At this stage Asante controlled almost the whole of the forest zone of what is now Ghana, at least west of the River Volta. This entailed a monopoly or near-monopoly of the supply of a specifically forest product, kola nuts (for which the main market, in northern Nigeria, was expanding). Coincidentally, it meant a near-monopoly of the then known and accessible deposits of gold (Lovejoy 1980). Finally, it meant that Asante could deal directly with European ships, cutting out the coastal middlemen. Over the next century and a half Asante's grip on the region's economic resources was gradually loosened, but far from lost.

The value of its locational advantage was diminished by the Danish, British and later Dutch withdrawal from the Atlantic slave trade. Defeat at the battle of Katamanso in 1826, by Britain and its coastal allies, cost Asante control of the southern part of the forest zone. More damagingly, defeat in 1874 by a similar British-led coalition led to the secession of many of Asante's tributaries. The trading town of Salaga, which as we have seen had been Asante's entrepôt for trade with savanna neighbours, rebelled. Even so, Asante retained control over the northern half of the forest, the commercial value of which was reinforced when an export demand for rubber emerged in the 1880s. Moreover, though under a treaty with Britain in 1831 Asante permitted Ga and Fante traders from the coast to enter Asante, even after 1874 Asante was able to maintain a policy of restricting the transit trade across Asante, between the savanna and the coast, to Asante merchants (Austin 1995).

During the precolonial kingdom, rights of access to cultivable land generally no market value, because the easy availability of cultivable land meant widespread household self-sufficiency in staple foodstuffs, so that regular production of food crops for sale was limited to the environs of Kumasi. Therefore what one might call the ‘broad forest rent’, obtained from ownership of the commercial resources of the forest zone, related only to gold and wild forest products. This situation was transformed by the appearance of a massive external demand for a crop, exotic to Asante, which however would grow well there in lands newly cleared from forest: cocoa. At the beginning of colonial rule the British administration was willing to grant land use rights to European planters of cocoa and rubber, on long leases. The prospect existed of Asante lands being alienated on a large scale. As in the Gold Coast Colony, however, the European planters failed commercially in competition with African farmers whose labour-saving methods they failed to emulate (Austin 1996C). After the economic fact, the colonial government set its legal face against further alienations to Europeans. Meanwhile the prospect of large areas of Asante being devoted to European-owned mines faded with the failure of prospectors to find gold in sufficient quantities (compare Dumett 1998). The one big mine in Asante was the exceptionally lucrative Ashanti Goldfields operation at Obuasi, the concession for which was originally obtained from two rival Asante chiefs just before the colonial occupation (McCaskie 1978). Overall, rather than abolishing Asante monopoly usage and ownership of Asante lands, by the 1920s colonial policy was firmly to insist upon it, at least as agriculture was concerned. Where chiefs on the southern border allowed migrant farmers from the Gold Coast Colony to obtain land to plant cocoa, colonial officials required that policy be tightened to prevent any repetition or extension of this breach (Austin, forthcoming).

Asante possession of these exceptionally valuable natural resources is a necessary part of any explanation of why Asantes were, collectively, major purchasers of slaves in the pre-colonial period and major employers of hired migrant labour in the colonial. Had they possessed only the means for subsistence production, they could not have afforded even slaves, cheap as they were to acquire in the nineteenth century; and they would have had little economic motive for acquiring them (Austin, forthcoming).

The state's contribution to the provision of slave labour in the private as well as state sector of the nineteenth-century economy went further even further than securing ownership of key natural resources. Though in the nineteenth century the biggest source of new slaves was purchase (from Salaga and other northern, savanna, markets), this was supplemented by war captives and regular tribute. In both the latter cases, the captives thus entered Asante as state prisoners (Maier 1990). Once slaves were settled within Asante, they lived and worked within commoner households or within chief's establishments. Even for private owners, the final guarantor of their control over their slaves was the threat of punishment by the state (being sent to a village of the condemned, to await sacrifice at the funeral of a major chief - albeit, a fate which could take as long as the wait on death row in some contemporary jurisdictions) (Maier-Weaver 1975; Wilks 1993: 215-40; McCaskie 1995).

Thus the precolonial kingdom provided critical supplies of labour, and a regionally-dominant position in the ownership of the natural resources to which the labour was applied; while the colonial government, though ultimately prohibiting slavery, upheld the Asante monopoly of cultivable land in Asante, during a period when access to such land had acquired market value for the first time.

The state and enterprise monopolies

The pre-colonial kingdom and the colonial administration have been interpreted as, respectively, establishing or permitting monopolies in major areas of economic enterprise. The pre-colonial kingdom has been seen as a command economy within which the state dominated the opportunities to obtain wealth. The colonial regime stands accused of tolerating private monopolies by European firms across the whole range of the export economy.

In previous work I challenged the view that the nineteenth-century state dominated the economy to the exclusion of significant private wealth (Austin 1996A). The earlier position, put forward by Wilks and others (e.g. Wilks 1975, 1993: 127-67; Arhin 1974; Terray 1974; Maier 1990), included (in stark summary of a complex literature) the propositions that for much of that century state traders enjoyed a monopoly of Asante's external trade; that the state also accounted for the bulk of gold and kola output; and that a penal tax regime, including the appropriation of self-acquired wealth at death, ensured that if any fortunes were made through private enterprise, their fruits ultimately went to the state. In the late nineteenth-century there was indeed a political campaign by Asante exiles in British territory, calling for British overrule in order to establish a liberal tax regime (Wilks 1993: 169-88). For Arhin and Wilks, colonial rule did indeed liberate the middle class to accumulate (Wilks 1993: 185; Arhin 1974). In this light, the precolonial *Asanteman* is a good example of the notion of precolonial non-western societies as profoundly alien to capitalism, if only because of the over-weening power of greedy states.

In contrast, drawing partly on earlier work by Joseph LaTorre (1978) and Raymond Dumett (1983), I have argued that the state had legal advantages but no monopoly in external trade, and that commoners, mostly but not exclusively on a small scale, were very active in all areas of the economy, including a sizeable internal trade for domestic markets (in protein foodstuffs and craft products) and especially in gold and kola production and trade. Finally, I argued that death duties were not penal but simply a tax, from which small legacies were almost certainly virtually exempt in practice. It is hard to say much about this general issue for the eighteenth century, except that it seems clear on circumstantial and comparative evidence that the Atlantic slave trade was dominated by large suppliers, especially the monarch and chiefs. But in the nineteenth century, the state helped commoners acquire and exploit scarce resources, as we saw above, and preferred to tax rather than to preclude or expropriate their money-making activities. The latter pattern was tested when the central government found itself in fiscal crisis in the years following the military defeat of 1874 and the opportunistic secession of various tributaries. The new *Asantehene*, Mensa Bonsu, resorted to arbitrary imposition of fines and to uncustomary tax demands. It was this which provoked a popular uprising, starting apparently by commoners in the goldfields of an inner-province town, which led to his overthrow in 1883; and soon to a civil war. (Austin 1996A).

There is no doubt that the colonial economy was asymmetric in terms of competition. African-dominated activities, such as food marketing and cocoa production, were characterized by ease of entry and intense competition. Activities dominated by European enterprises showed a strong tendency towards monopoly (Hopkins 1973[?]). They were characterized either by long-term price-fixing agreements (shipping and banking) (Howard 1978), or by bouts of intense competition followed by waves of mergers and/or the formation of ever more comprehensive cartels (cocoa buying) (Fieldhouse 1994). The government seems generally to have accepted this lack of competition among European firms; perhaps partly because during this period the domestic British economy was itself riddled with price agreements. There was one exception to this generalization about official attitudes: the above-mentioned cocoa buying agreements, where anxiety among colonial officials seems to have risen in response to the growing strength of the African hold-up movements. Thus even in this case, it was the organized African pressure which was the only effective restraint on monopoly rent-seeking.

Yet the scale of rents actually captured through anti-competitive was not always large. The price-deal between the two banks seems to have been aimed primarily at their major customers, the European merchant firms, rather than at their African clients - though it affected them too. It seems also to have been at least partly defensive: one has to wonder whether there was room in the market for more than one supplier, or cartel of suppliers.[6] In the local marketing of cocoa, the periods in between price agreements saw the European firms competing hard with each other for market share from African brokers. There is evidence that the latter were themselves able to extract economic rents from the European firms under certain market conditions, notably by taking advantage of lags in the dissemination of information about price changes (Austin, forthcoming, B).

Charges of rent-seeking by, or with the connivance of, the state need to be seen in the context of the state's resource contributions to the Asante private sector, enabling it to capture natural resource rents and, in the nineteenth century, to increase its labour force with imported slaves. Even so, the accusations of practising or tolerating monopoly directed, respectively, at the precolonial and colonial regimes are only partly justified.

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[6]Chibuike Uche (University of Nigeria, Enugu) and I are currently researching the banking cartel in British West Africa.

While there was indeed a big government sector in the extra-subsistence economy of precolonial Asante, notably in foreign trade, and taxes which accounted for a sizeable share of self-acquired wealth, there was also room, at least in the nineteenth century, for an increasingly large private sector, within which accumulation of wealth was widely though unequally spread. Commoners welcomed the ending of inheritance duties, but in a more general sense the ‘new bourgeoisie’ did not need to be ‘liberated’ by colonial rule:[7] it already had considerable autonomy, vigorously defended by the coalition of export-producers who took a decisive part in the overthrow of an *Asantehene* in 1883, and whose successors went on to organize effectively against the price-fixing tendencies of the European cocoa firms in the 1930s.

Synthesis and reflections

Ironically, given that colonial rule was imposed on Asante by the threat of force (in 1896), and was confirmed by its use (in putting down the Kumasi rebellion of 1900), a basic developmental divergence between the precolonial and colonial regimes was the reduction in the use or overt threat of force in the acquisition of wealth. There was a transition from an economy fuelled partly by tribute and war booty, and more so by the importation of slaves, to one based on the export of crops grown by family workers and by free migrant labourers. But this contrast - the kind made by the colonizers themselves - masks crucial continuities.

The cash-crop revolution of the early colonial period brought Asante lands into cultivation for export markets for the first time. But the adoption of

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[7]‘The development of the cocoa industry represented, perhaps, the triumph of a new bourgeoisie “liberated” by the forces of colonialism.’ (Wilks 1993: 185).

cocoa followed on from the nineteenth-century, pre-colonial, transition from the export of captives to a much increased (even in 1807, far from new) export of gold and kola nuts, to be followed ephemerally by wild rubber. The major economic actors of the cash-crop revolution of the 1900s-1920s were the mass of extra-subsistence rural producers commoners, who in the nineteenth century accumulated pawns, slaves, slave-descendants, and gold dust; and proceeded to use their resources of labour and capital in responding swiftly to the opportunity to plant an exotic but commercially valuable tree-crop. Most extra-subsistence output was owned by men, who did the majority of the labour *directly* involved: benefiting from a division of labour which concentrated the opportunities for extra-subsistence activities in male hands, and which in my view spanned the transition from the independent kingdom to alien rule (Austin, forthcoming; for a different view see Allman and Tashjian 2000). Socially, they ranged from 'peasants' producing a modest surplus, with relatively little use of labour originally recruited from outside the family, to 'capitalists' most of whose output was for sale, and who drew heavily on extra-familial labour. Among the latter can be counted many of the chiefs (Austin 1996A, 1988).

In property rights, there were a clutch of continuities. First, the British accepted, and indeed endorsed and enforced, the continuation of the fundamental principle of indigenous land law, the distinction between ownership of the soil itself and ownership of what stood on it. The argument that colonial governments failed to protect farmers' investments misses this distinction. Crucially, the colonial administration in Asante consistently defended farmers' ownership of the trees they had planted - irrespective of legal disputes about the ownership of the soil beneath. Without this, it is hard to imagine how cocoa production could have taken off so rapidly, or how there could have been a second planting boom in the final years of the colonial era. Here, we have an example both of the contribution of an indigenous institution to colonial-period economic expansion, and of a colonial regime protecting the security of their subjects' investments.

Second, in land-surplus, labour-scarce conditions, and with an absence of economic advantages of scale in production, the coercion of labour was essential to the existence of any form of labour market, and thus to the recruitment of labour from outside the household. The growth of extra-subsistence output in the nineteenth century was based to a great extent on the exploitation of property rights in persons. The same applied to the early years of the cocoa era, under colonial rule: until the maturation of cocoa farms made it economically viable to hire labour, and to pledge farms rather than people in order to obtain loans. The Asante case highlights how anachronistic it is to equate 'property' with landed property, as much recent literature tends to do. Again, while the kind(s) of economic development possible with slavery differ from those possible with free labour, in a slave economy savings could be made and re-invested, and per capita incomes of the free population could rise. I read the Asante experience as reinforcing the need to avoid a retrospective sanitization of the history of economic growth.

Third, the foundation of the economic success of Asante - relative to most of their neighbours in the periods respectively concerned - was, literally, their access to the natural resources of the forest zone: forests in which kola and rubber trees grew naturally, in which gold deposits happened to be widespread, and land on which perhaps the most lucrative of all the cash-crops of tropical Africa would grow. Historians must not take Asante access to Asante lands for granted: it could have been denied by invaders from neighbouring African states or by the European colonizers, in order to benefit European planters. As it worked out, Asantes enjoyed not only access but virtually exclusive access to their agricultural lands: the one major alienation, on the eve of colonization and shortly afterwards, was the lease of the Obuasi goldfield at relatively low rentals to the local chiefs. It was the military might of the pre-colonial kingdom which in the early nineteenth century secured what, in the context of what is now Ghana, was a monopoly or near-monopoly of key resources. This local dominance was eroded by Asante retreats as the century went on. The colonial regime in Asante actively supported, even insisted, upon the continuation of the principle that land should not be permanently alienated to outsiders: it could be rented, but not sold. This was probably facilitated by the constitutional status of Asante, as a distinct colony, its identity not merged with the Gold Coast Colony until after this policy was firmly established. Its significance has become clearer as the colonial period has receded, and as the massive cocoa expansion in neighbouring Ivory Coast flourished and faded. In Ivory Coast the first post-colonial government encouraged immigrants with the slogan ‘land to the tiller’, with the result that by the 1990s much cocoa and coffee was produced on land which people of non-Ivorian (mostly Burkinabe) origin now considered to be theirs (Chauveau and Léonard 1996). In contrast, Asantes continue, for better or worse, virtually to monopolize the ownership of cocoa trees within what were the boundaries of colonial Asante. Longer-term, it was Asantes’ dominant, even exclusive, control over their regionally-scarce natural resources which enabled them to pay for imports of labour from the comparatively-deprived savanna: whether buying slaves in the nineteenth century or hiring free migrants in the twentieth. This issue of land rights, like that of slavery and other forms of property in persons, reminds us of something too often overlooked in rational-choice analyses: that property rights not only create incentive structures, but define the distribution of assets and opportunities (cf. DiJohn and Putzel 2000).

This assessment of the property rights dimension of this precolonial/colonial comparison must be seen in the context of two themes which have recurred in different contexts throughout this paper, but which should now be highlighted: the importance of indigenous economic enterprise to the policy and developmental outcomes under both regimes; and the importance of periodizing colonial rule.

Within the context of the economic opportunities offered by the available resources an markets, the main agent of economic change in both periods was the supply-responsiveness and propensity to invest of the mass of rural producers. Not only is this key to accounting for the overall economic expansion, it was also decisive in ensuring that the initial colonial willingness to allow European plantations did not lead to a larger, or permanent, alienation of land from African use and ownership. From a developmental perspective, perhaps the key limit to the potential of an economy founded on what might loosely be called a coalition of small capitalists and large peasants, is that the savings generated were not easily channelled into manufacturing, unless via taxation (Austin 2003) - though the responsibility for this lay partly with the limited ambition of the caretaker colonial state and the banking monopoly. Again, on a series of crucial occasions this mass of export-producers organized themselves to act collectively to protect their incomes from what they saw as predation: against excessive taxation by the precolonial monarchy in 1883, and against successive cartels formed by European cocoa-buyers in the interwar period. This informal tradition of collective action underpinned the relative freedom to make money enjoyed by indigenous private enterprise, even in the face of competition from the state in the nineteenth century and from foreign firms in the first half of the twentieth. Crucially for the political economy of post-colonial Ghana, that tradition effectively came to an end when the cocoa-farmers' movement divided between the NLM and Nkrumah's Convention People's Party in 1954-6, in the struggle over whether the soon-to-exist independent Ghana would be unitary or federal. The absence of an effective popular restraint on taxation of export agriculture was a precondition of the increasingly extreme rates of such taxation that were imposed in the following decades, and which led the Ghanaian economy into absolute decline in the eight years preceding the adoption of Structural Adjustment in 1983 (Austin 1996B).

The history of indigenous capitalism, in a broad sense, has often been fatally missing from models of the colonial impact on economic development: both from some recent efforts (e.g. Acemoglu, Johnson & Robinson 2001) and from Marx's pioneering one. Arguably, for the analysis of the difference colonialism made, the more relevant of Marx's theories of the origins of capitalism is not the exogenous one he applied in his speculations about India, but the endogenous one he formulated in relation to the history of Europe and the Americas.

For discussions of both the precolonial and colonial states in Asante, the basic significance of the role of indigenous capitalism, as an economic and as a political force, is that it demonstrates that even in militaristic monarchies and colonies, the central government could rarely afford to act entirely autocratically. In neither case, I think, does it help to apply the language of contract to describe the relationship between ruler and ruled; the power relationship was too unequal for that. But ruling still required compromise: limiting the extent of rent-seeking by the state, or by foreigners licensed by the state.

The colonial state in Asante was a late example of the genre, and this had implications for the rate and path of the colony's economic development. First, seen against the history of at least British and French expansion in the tropics over several centuries, the Scramble for Africa was a (comparatively late) manifestation of the shift from empire based on trade to empire based on territory. This entailed that the rulers of colonial Africa had to give priority to the survival of the state and the maintenance of order. Extractive tendencies were liable to be restrained in the interests of avoiding provocation to indigenous groups capable of causing expensive instability. In some contexts this could create tension rather than cooperation between colonial officials and European private enterprise. The clash between the administration and the European cocoa firms in 1937-8 is an example of this.

Second, the fact that the imperial power had already industrialized itself meant that its representatives in the periphery brought certain advanced technologies with them. The implications were important, though varied. Some were purely repressive (notably the machine gun); one was revolutionary for the economy (the railway); one extended that revolution, though to a large degree by African initiative (the motor lorry); while prior economic achievements led European officials and planters to overestimate the universal applicability of what they considered to be best-practice techniques in agriculture.

Finally, the colonial representatives of industrial Britain had to work within the metropolitan political and cultural constraints of their day. In the short run, helped by the rarity of newspaper coverage, they had some autonomy. Thus they could decide quietly to tolerate slave-holding while acting loudly against slave-trading. But that stance could not be sustained long-term, hence slavery and related institutions were prohibited even while their economic rationale within Asante remained strong. Again, as Frederick Cooper has argued, the late colonial period saw a further ideological shift, in which colonial officials were confronted with an increasing tendency to apply to Africans the same ‘universal’ standards of welfare expected by Europeans and North Americans. A basic reason for the unexpectedly abrupt British departure from tropical Africa was a realisation, in the 1950s, that developmental colonialism was too expensive to be attempted by medium-sized powers (Cooper 1996).

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