Imperial Balance Sheets Revisited: African Empires of France and Britain, 1900-1960

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Abstract

A generation ago, in the twilight of imperial rule, colonial apologists and anti-colonialists debated the economic function and effect of twentieth-century empire. It was a politicized debate, conducted before the full methodology of economic history could be focused on the issue, and before the secular trends of the twentieth-century world economy could be observed clearly. Analysts typically phrased their conclusions in terms of balance sheets contrasting the benefits and costs of colonial rule to the imperial ruler or to the colony. The present author, for instance, concluded a regional economic history by criticizing French fiscal extraction from the colony of Dahomey (now Bénin).

The GEHN discussion on imperialism provides an opportunity to revisit the same questions, concisely but at a broader scale. For the British and French colonies in Africa, the paper reviews the costs and benefits of colonial rule, 1900 – 1960. The introductory section of the paper briefly recounts the previous debate. The second section proposes alternative ways to pose the question of the imperial impact on Africa: what were the economic costs of African empire to European governments (or to European economies), and what were the returns resulting from those costs? Based on this modeling the third section summarizes available measures of these costs and benefits from the varying perspectives of European rulers and African subjects. Fourth, the paper concludes with some observations on the place of these African empires in the global economy of the twentieth century.

Conceptualizing African economies in imperial and global context

This paper focuses on African economic experience under British and French rule in the era from 1900 to 1960. During these threescore years, British and French colonial governments controlled 80% of the land and population of the African continent, and exerted great influence over the local economies and their links to other elements of the world economy. I seek to address three questions on that economic experience:

- How were African colonial economies related to the empires of which they formed a part?
- What was the place of African colonial economies in the global economy?
- What was the place of British and French empires in the global economy?

One may hope to explore these interrelated macroeconomic questions through two frameworks: cost-benefit and systemic analysis. That is, the questions appear to be susceptible to direct cost-benefit analysis of colony in empire and of both colony and empire in the world economy. Similarly, one can envision a somewhat more complex analysis of systemic functioning for the world economy, including empires as subsystems, paired with an analysis of imperial economic functioning, including colonies as subsystems.

Hopes for a straightforward analysis of these questions are challenged, however, by a number of additional issues, both analytical and historical. The initial questions posed above, though not complex in themselves, elicit a number of other questions at logical and theoretical

levels, and the historical experience of Africa raises additional issues which, while subordinate, easily become distracting.

Time frame of the analysis

The place of African economies and African empires in the global economy can be explored with apparently equal relevance for any time during the last several hundred years. How then does one periodize African economic history? A still-dominant politically-based chronology for African economic history distinguishes the post-1960 era of political independence, the era of formal colonial rule from 1900 to 1960, the transition to colonialism (1880-1900), and the pre-colonial era before 1800. Looking beyond politics and at African economic history over the longer time, one can identify the era of expanding slave trade up to about 1800, the nineteenth-century era of mixed agricultural and slave exports, the time of European conquest – and, after African independence, the debt crisis, disastrous droughts, and slow growth.

Perhaps the time-frame for the analysis should be set by major shits in the global economy, rather than on African particularities. One could imagine periods based on changes in international trade, social classes, or technology, and one could imagine a range of cycles, lags, and sequences in economic processes affecting Africa's place in the world economy. From a global point of view, one might prefer to distinguish the recent era of free trade and globalization from the previous half-century of relative autarky and

protectionism, and then from the previous era of free trade from 1840 to 1920, with other and hazier cycles preceding.[1]

Out of these possibilities I have chosen to stick for now to discussion of the era 1900-1960 because of the historiographical tradition of analyzing that era, supplemented by the relatively consistent documentation for that era. This means concentration on formal rather than informal imperial domination of Africa.

The character of available data

Colonial African statistical records were fairly well set up by 1900: they collected and published tax returns, other state revenue, government expenditure, and foreign (usually overseas) trade. The beginnings of national income accounting came in the 1950s, and only rarely were retrospective estimates calculated. Economic planning, set up first by colonial officials and soon dominated by foreign advisors, was mainly an extension of public works projects. Data on African population and national income did not become adequate until 1960.[2] For one thing, little macroeconomic work has been done in African economic history. There were significant early efforts at national-income analysis by Deane, Szereszewski, Helleiner, Houghton, and Maldant and Haubert.[3] But the data

[1] Kevin H. O'Rourke and Jeffrey G. Williamson, Globalization and History: The Evolution of a Nineteenth-Century Atlantic Economy (Cambridge, MA: MIT Press, 1999).
[2] I am now at work on a set of rough estimates of African population, by territory, 1850-1960, working by backward projection from 1960. For an authoritative study of African populations since 1950, see Dominique Tabutin and Bruno Schoumaker, "La Démographie de l'Afrique au sud du Sahara des années 1950 aux années 2000: Synthèse des changements et bilan statistique," Population 59 (2004): 521-621.
[3] Phyllis Deane, *Colonial social accounting* [addressing Northern Rhodesia and Nyasaland] (Cambridge: Cambridge University Press, 19530; Robert Szereszewski, *Structural changes in the economy of Ghana, 1891-1911* **(**London, Weidenfeld and

were relatively intractable, and most of all the interest in African historical statistics simply was not there. Economic development and economic history literatures for Africa began and have remained separate: contributors to the macroeconomic development literature assumed that history before 1960 was of no relevance to planning; contributions to the economic history literature were microeconomic, descriptive, and institutional, and restricted to the period before 1960.

Nevertheless, the colonial-era records on African economies contain six decades of relatively consistent data which, if energetically explored with modern databases and computational techniques, should yield a valuable record of economic life for the early and mid-twentieth century.

Social-scientific and ecological assumptions

For much of the twentieth century, social-scientific analysis of Africa contended with questions of African exceptionalism. In various ways, it was assumed that the logic of human activity and economic change in Africa was sufficiently different from "modern" society to warrant separate categories and separate analyses for African affairs. The various assumptions included African genetic inferiority, inferior land quality, debilitating disease environment, target-focused economic rationality, collective rather than individual motivation, inferior levels of knowledge and education, dualistic economies, and so forth. After a century of social-scientific debate we can safely dismiss most of the old exceptionalisms. The genetic demonstration of

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Nicolson, 1965); Gerald K. Helleiner, *Peasant agriculture, government, and economic growth in Nigeria* (Homewood, IL: R. D. Irwin, 1966); D. Hobart Houghton, *The South African economy* (Cape Town: Oxford University Press, 1964); Boris Maldant and Maxim Haubert, *Croissance et conjoncture dans l'Ouest africain* (Paris : Presses Universitaires de France, 1973). See also Patrick Manning, *Slavery,Colonialism, and Economic Growth in Dahomey, 1640-1960* (Cambridge: Cambridge University Press, 1982).

African origins of Homo sapiens and, more to the point, the short time-depth and extraordinary genetic unity of our species, render assertions of major differences in inherent intelligence more ludicrous than ever. Nor is productivity of African land the basic problem: the land that was good enough to start the human species on its way may be a bit worn, and its soils may be closer in fertility to those of Australia than to those of Ukraine, but they have been able to feed a population that has increased six-fold in the past century. The African disease environment is indeed a difficult one, but it responds as do others to investment in medical care. The thesis that African social institutions provide an impediment to economic growth weakens every time it is tested.

We are left with a well-documented phenomenon – the persistent economic weakness of a continent with one eighth of the world's population – but without much in the way of essential or uniquely African characteristics on which to rely in explaining it. An obvious alternative, and one fitting the growing interest in economic interactions and systems, is to seek an explanation of African economic history in the context of the global economy. Why should a smoothly functioning world economy leave Africa at its margins?

Academic analysis has basically left this issue on the back burner rather than treat it as an important issue in the understanding of the world economy. Contemporary and historical African statistics are weak, as are the actual levels of production and trade, so it has been simpler to leave Africa out of the global system, as if it really were not there. A symbol of this approach has been the statistic – bandied about in recent years – suggesting that the GDP of Belgium (with a population of 10 million) exceeds that of the African continent (with a population of 700 million and a surface area a thousand times that of Belgium). The implication is that Belgians are

70 times as productive as Africans.[4] If the calculation were redone in terms of caloric intake, it would show a great excess of African over Belgian consumption: that is, Africans may fall far short in production for global markets, but they do feed and reproduce themselves and more. The Belgian-African comparison is thus as much a challenge to the validity of economic accounting as it is to African productivity. But it is widely taken at face value, so that African economies are commonly treated not as part of the global economy but been on their own, as isolated appendages or even external to the world economy.

This symbolic juxtaposition of Belgium and Africa, however, arises from a post-colonial discourse (over diverging recent growth rates) rather than from assessment of Africa under British, French, or Belgian rule. Such comparisons of GDP did not take place during the era of colonialism in Africa.[5]

Analytical questions on economic performance

This preliminary exploration of the place of African economies and empires in the world economy focuses mainly on setting up a framework for analysis, with no effort to test hypotheses and not much on articulating hypotheses. The basic macroeconomic variables to be documented for

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[4] "Progress in regional integration is linked to progress in trade and private sector development. Regional integration is especially important for a continent whose total GDP is equivalent to the GDP of Belgium, whose median-size economies are small and fragmented (about US$2 billion in average size), and of which fifteen countries are landlocked and dependent on trade-friendly regional mechanisms to prosper." World Bank Group, "Africa, Regional Brief," http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/0,,menuPK:258652~pagePK:146732~piPK:146828~theSitePK:258644,00.html.

[5] Of course, one may ask whether colonial-era economic life contributed to subsequent limitations on economic growth.

Africa include (with attention to market and non-market portions) levels of aggregate demand and aggregate supply; levels of investment, consumption, and productivity; foreign trade flows; and the distinction between government and private economic activity. For the role of Africa in the global economic system, one must go beyond these basic variables to consider all sorts of flows and interdependencies among economic regions and subsystems: these include flows of labour, monetary systems, and the possibility that Africa might have been held as some sort of reserve (of labour or resources) in the colonial era. One must also consider the possibility of global systemic malfunction, which might have included artificially high barriers to entry for African producers.

Background

As background for later sections that will address directly the principal questions posed above, this section provides concise notes on Africa's place in the world economy in three periods outside the period 1900-1960, in effort to separate the issues centred in other periods from the period of formal colonial rule. Three periods are considered: the eighteenth and nineteenth centuries; the era of the European conquest of Africa (from 1880 to 1900); and the post-colonial era, since 1960.

1. Before 1880: African economies in the eighteenth and nineteenth centuries.

African levels of output were not desperately below those of other areas of the world in the eighteenth century.[6] African output grew significantly in the nineteenth century, but still fell behind other areas of the world.[7] African migration, however, developed in patterns inverse to those of other world regions. From the seventeenth to the mid-nineteenth century, Africa played the role of supplier of the largest mobile labour force at a time when moving labour was expensive. This was surely an important role in the world economy: two to three times as many Africans as Europeans emigrated in the period 1500-1840, with African emigrants leaving in conditions of warfare and therefore suffering far higher losses.[8] (The base populations of Europe and Africa were similar.) In Africa, the effects of disease on unprepared immigrants, combined with the strength of domestic political and military organization, obviated European invasions until the technological advances of the mid-nineteenth century. The nineteenth-century expansion of continental African slavery did more to weaken than to strengthen economic life. Suppression of slave trade and slavery proceeded unevenly into the 1930s, but some regions were rebounding effectively from slave trade in the late nineteenth century.

As for worldwide patterns, the rise of industrial production and its worldwide linkages in communication, collection of raw materials, and

[6] For instance, a comparison of estimated per capita income in 1800 shows Dahomey at one third of Mexico and Brazil, and one eighth that of England and the U.S. Manning, *Slavery, Colonialism, and Economic Growth, 5*.

[7] For coastal Dahomey, per capita income grew at an estimated annual 2.5% for much of the nineteenth century, but other African regions did not fare so well.

[8] Estimates of European emigration are compiled from Nicholas Canny, ed., *Europeans on the move: studies on European migration, 1500-1800* (New York: Oxford University Press, 1994).

marketing of produce changed the place of African economies. In addition to economic change, the emerging notions of hierarchies in civilization and race put Africans at a disadvantage. In South and Southeast Asia, slavery also expanded in the nineteenth century, but higher levels of commerce, with investment by local and immigrant merchants and investors, left these regions placed higher in the global hierarchy than Africa. In modelling the economic history of this era, it seems important to figure out whether and how to apply Great-Divergence reasoning to Africa.[9] Was there a short period in the eighteenth or nineteenth century in which the balance between African and overseas (especially European) economies shifted sharply?

2. 1880-1900. European conquest of Africa

A separate question is the inevitability of colonialism. The local legal and monetary systems and the independent governments, which had worked adequately for Africans and for visiting merchants well into the nineteenth century, now ran into trouble. Thereafter the European powers began insisting, as they did elsewhere, on legal and monetary systems equivalent to their own, and ultimately insisted simply on ruling Africa. Especially for African territories, one may argue that, while the returns from conquest were not high, the cost of conquest was low. The reasoning for conquest, in part, was to establish a capitalist social order and legal system in the newly conquered territories, thus making it easier for capitalist firms to expand there. Medical and human cost of seizure was declining but was

[9] Kenneth Pomeranz, *The Great Divergence: China, Europe, and the Making of the Modern World Economy* (Princeton: Princeton University Press, 2000). The late Andre Gunder Frank left a mostly-completed manuscript pursuing the logic of great divergence through the nineteenth century. Any long-term assessment of Africa in the world economy must link the continent to this question of regional shares of wealth, commerce, and productivity.

sometimes still high.[10] Under these circumstances, compounded by the danger of confrontation with other imperial powers, the “official mind” of imperial power could find itself moving unexpectedly to confirm the annexation and conquest of overseas territories.[11]

Nevertheless, Africa was not a political vacuum, and there were at least three types of hypothetical alternatives to the colonial system, which might in their own way have provided effective governments able to participate effectively in international trade and investment:

- African monarchies (especially in Ethiopia and Zanzibar, but also in Asante, Dahomey, Madagascar, and elsewhere)
- African oligarchies – in Sierra Leone, Liberia, the Egba state of Abeokuta, and elsewhere, Western-educated oligarchies provided the kernel of nations that might have developed along Latin American lines.
- Private and semi-public companies – the British South Africa Company, German East Africa Company, and others. These were systematically absorbed by European states.

Corporations do seem to have wanted a certain sort of legal and social framework: Belgian investment in Congo shot up once the Belgian state took over its rule from King Leopold’s capital-starved personal empire.

Empires expanded at the end of the nineteenth century not only in Africa, but in Southeast Asia, Central Asia, the Pacific, and East Asia. Expanding imperial powers were not only Britain, France and Germany, but

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[10] Philip D. Curtin, *Disease and empire: the health of European troops in the conquest of Africa*. (New York: Cambridge University Press, 1998).
[11] Ronald Robinson and John Gallagher, with Alice Denny. *Africa and the Victorians: The Official Mind of Imperialism*. London: Macmillan, 1961.

also Russia, the United States, Japan, Portugal, and Italy. Yet there was also decline or collapse in the empires of the Ottomans, Spain, Austria, Russia and China. In this wave of imperial change Latin American territories, which had previously been under Spanish and Portuguese rule and had legal and social systems largely compatible with those of the wealthy countries, were not conquered. In other cases, Japan, already a relatively advanced economy, transformed its own legal and social system in the late nineteenth century. So, to a lesser degree, did China, Iran, and Thailand. Africans did not succeed in such transformations; in addition, racial discrimination peaked at the moment when African colonies were set up.

3. After 1960: Africa and Contemporary Globalization.

After a period of rapid economic growth from 1947 to 1970, African economies experienced stagnation. In the disastrous 1970s and 1980s, post-independence Africa ended up with weak money systems, low prices for exports and high prices for imports, huge debts imposed by external advisors and then even greater interest payments after 1974, followed by structural adjustment programs that cut back public services.[12] Economic unions were able to proceed elsewhere; those in Africa were frustrated by internal and especially external pressures. Yet the post-independence era saw remarkable social transformations and advances: education and literacy expanded dramatically, major urban centres expanded at a remarkable rate, and mortality rates declined rapidly from the 1950s until about 1990. So while weak, corrupt governments and fragmented political communities were central to these difficulties, there was more to economic stagnation than poor government and bad weather. In the late-twentieth-century era of

[12] Gerald K. Helleiner, *International economic disorder : essays in North-South relations* (London: Macmillan, 1980).

massive, global restructuring of corporations, capital markets, communications, technology, and political communities, African states and communities were consistently weak in the bargaining over prices, regulations, and terms of investments. The formal recognition of African sovereignty eventually allowed Africans to become participants in the governance of the United Nations, the World Bank, and some major corporations. Yet the beginning of the twenty-first century finds Africa with only the most minimal levels of electronic communication and with populations declining in several countries because of the HIV/AIDS pandemic.

4. 1900-1960: The Previous Debate

Debate on African empire accompanied the era of decolonization, the 1960s and 1970s. The partisans of empire defended imperial accomplishments; the critics of empire condemned imperial waste and exploitation. The debate on empire spilled into the expanding political economy literature of the time, for instance through early work by Samir Amin and Giovanni Arrighi.[13] African empire did not become significant in the cliometric literature, which was also expanding at the same time – perhaps because empire was a macroeconomic issue debated at a time when most hypothesis-testing focused on microeconomic questions. Nor did African empire play a significant part in the thriving field of economic development - that literature, focused on modernization, agricultural development, and vent-for-surplus, treated colonial Africa as prehistory.

Lewis Gann and Peter Duignan, in *Burden of Empire*, gave the strongest defence of colonial regimes, arguing that they had developed and

[13] Samir Amin, *L'Afrique de l'Ouest bloquée* ; Giovanni Arrighi and John S. Saul, *Essays on the political economy of Africa* (New York, Monthly Review Press, 1973).

civilized Africa at considerable cost to the metropoles. Henri Brunschwig and D. K. Fieldhouse, in more nuanced analyses of African colonialism, nonetheless emphasized the positive contributions of the European regimes.[14] Jacques Marseille argued that the French empire – in Africa and elsewhere – served as a drag on the national economy of France despite widespread claims to the contrary. Samir Amin, in early work, argued that European colonial policies blocked the development of their West African colonies.[15] Maldant and Haubert, relying on French bureaucracy in Africa during the period of most consistent growth, 1947-1966, argued through econometric modelling that colonial capital investment was productive in expanding exports which, in turn, were the main engine for domestic economic growth.[16] P. T. Bauer, from his Nigerian base, argued vigorously against the policies of marketing boards set up in the 1930s that held producer prices low on the pretext of providing price stability, and diverted funds to government investment on the argument that large-scale public investment would be more productive than investment by producers.[17] My impression was that most analysts, in focusing on colonial investment in African infrastructure, severely underestimated the degree to which it was forced investment – not contributions from the metropole but paid for by Africans through underpaid labour and through taxes that went to direct allocations and paying off bonds.[18]

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[14] Lewis Gann and Peter Duignan, *Burden of Empire* (New York, 1967); Henri Brunschwig, *French colonialism, 1871-1914: myths and realities*, trans. William Granville Brown (New York: Praeger, 1966P; D. K. Fieldhouse, *Economics and empire, 1830-1914* (Ithaca: Cornell University Press, 1973).
[15] Jacques Marsseille, *Empire colonial et capitalisme français : Histoire d'un divorce* (Paris : Albin Michel, 1984) ; Samir Amin, *L'Afrique de l'Ouest bloquée.*
[16] Maldant and Haubert, *Croissance et conjuncture*.
[17] P. T. Bauer, *West African Trade* (Cambridge: Cambridge University Press, 1954).
[18] Patrick Manning, "Analyzing the Costs and Benefits of Colonialism." *African Economic History Review* 1, 2, (1974): 15-22.

In any case, after about 1985 scholars of all viewpoints wandered away from this discussion without specifying or analyzing clearer questions.

1900-1960: African Economies in the World

The task here, as I see it, is not that of finding someone to blame for Africa's economic weakness. It is rather to assume that the productivity of African land and population and potential for growth are not much different than for other regions, to ask what role African colonies played in the imperial system of 1900-1960, and to ask what role these territories played in the world economic system.

To my surprise, I found great difficulty in focusing on a global approach to African empire. After years of working as a globalist, I returned to materials in African colonial history and found how hard it was to break the old habits that constrained analysis within narrow and specific topics. For one thing, little macroeconomic work has been done in African economic history. Early efforts by such luminaries as Phyllis Deane and Gerald Helleiner were not pursued.[19] Data appeared intractable, and the interest of scholars in adjoining fields was not there.[20] Economic development and economic history literatures are separate: macroeconomic development literature assumed history before 1960 did not matter; economic history before 1960 was microeconomic and mostly descriptive and institutional.[21]

[19] See note 2.

[20] I have been struck, in drafting this essay, by the number of economists and economic historians who addressed colonial Africa early in their careers, then moved on to other regions and other topics rather than pursue further study of African economies. The list includes Samir Amin, Giovanni Arrighi, Robert Baldwin, Phyllis Deane, Gerald Helleiner, A. G. Hopkins, A. J. H. Latham, Jacques Marseille, and myself.

[21] *African Economic History*, an annual review published beginning 1976, has mainly published colonial-era institutional studies by authors without formal economic training.

Another obstacle to setting African economies in global context is that there have been few comparisons or linkages of African economic history with that of other regions. Even in the imperialism literature, it was one continent at a time. For the economic development literature I'm less sure on this point because I am out of touch with its recent directions, but I suspect that analyses are still carried out one nation at a time, without much effort to explore Africa's place in the global economic system.

Global considerations, along both political and economic lines, suggest one modification of the 1900-1960 periodization of African empire: the drawing of a sharp line at 1945. The imperial system changed greatly because the German and Japanese war efforts were ultimately unsuccessful and because almost all Asian colonies gained independence immediately after the war. Empire, from 1945 to 1960, meant Africa above all, so that comparing the post-1945 period with the pre-1945 period should show something about the nature of the imperial system. The fiscally expansive post-1945 policies for Africa resulted not only from Keynesian theory and the post-war economic expansion, but also because of independence for Asian colonies.

In modelling, first model the segmented costs and returns of empire for Africa and for metropolitan powers, then model the global economic system of which African empires formed a part. The point of the latter section is to get beyond African parochialism and get a sense of where Africa fit into the global economy 1900-1960.

1. Modelling costs and benefits

This section is mainly a list of accounting categories to suggest what data need to be included in assessment in a cost-benefit analysis of African empire.

The costs and returns measured in the metropole are those of the aggregate metropolitan economy. They include the costs of imperial government (Military cost of conquest, administrative cost of annexation and administration), the costs and returns for private metropolitan business interests and for the general metropolitan population.

Costs and returns, in aggregate terms, as measured in the colony, included those of the colonial government, those of governing figures in the colony (who had relatively high incomes), those of private "native" business interests, of "settler" firms in the colony, and the general "native" population working in agriculture and as labourers. Within the fiscal system, one must account for tax revenue, government expense, domestic and external transfer payments, and borrowing and repayment. The colonial monetary system included official and unofficial currencies, exchange rates, and the banking system. Private firms included those based in the metropole (their marketing and investment in the colonies), settler firms based in the colonies (their investment, access to land, subsidies received, and their output and profitability), native firms (their investment, subsidies received, output and profitability), and the general colonial population (wages, employment levels, and access to land). Issues drawing particular attention are investment in infrastructure, the balance of industrial transformation between colony and metropole, the profitability of investment in Africa, and the strategic value of African colonies.

Listing of these accounting categories prompts a few general comments. Especially as measured by official or market prices, the colonies had relatively larger public sectors than the metropoles, yet they were governed without any political consensus. On the other hand, a comparison of British and French colonies suggests that a smaller European

administration may have correlated with better economic performance. In the colonial era, African economic links to Latin American and Indian Ocean trading partners were cut back, and became focused on Europe. Colonial governments, in their agricultural and commercial policies, tended to focus on commodities selected for reasons of imperial policy rather than for profitability or marketability. Thus administrations in British Eastern Nigeria and French Sudan pressed for export of cotton, when the most profitable crop was palm oil in the first case and rice in the second. Colonial administrations held investment in education and health at low levels, and kept wages low as well – notably the wages of forced or recruited labourers. Well organized interest groups in the colonies were able to gain concessions from colonial governments – for instance, merchant interests in South and Southeast Asia, and also in some African cases – but protesting groups could also suffer discrimination and expropriation.

2. Modelling systemic behaviour.

All of the above modelling assumes the colonies and metropoles can be analyzed separately from each other and from the rest of the world economy. The next step is to try to figure out modelling questions for the world as a whole. Modelling should review all the relevant factors, put them in context of global economy, and analyze from several relevant viewpoints.

Function of African economies in the global system. As I have suggested earlier, Africa might be interpreted as having provided a reserve of potentially useful land and perhaps consumers. The cost of controlling African territories was not high, providing an argument for pre-emptive seizure. What institutions did colonialism give Africa, as compared to colonial institutions elsewhere?

One may interpret the twentieth century as a time in which major empires dominated most of the world, with a few independent or semi-independent regions. African empire can then be fit as appropriate into this picture. One may compare African empires to other areas under colonial rule (Caribbean, Middle East, Southeast Asia, South Asia, East Asia, Central Asia, Pacific) – and to areas not under colonial rule (Latin America, Turkey, Iran, Thailand, China). The semi-independent British dominions – Canada, Australia, New Zealand, South Africa – make an interesting grouping. The Soviet Union was a socialist alternative and a largely autarkic system 1920-1945, and then socialist countries posed an alternative system in interaction with African colonies 1945-1960.

To offer a few points of global interest: one may note that Africa was largely marginalized in the great migrations of 1840-1940, except for significant migrations within the continent, in contrast to the previous dominance of overseas migration by Africans in captivity. Latin American countries, having gained independence from Spain and Portugal, reached the late nineteenth century with legal systems recognized by European governments and firms. In the twentieth century, the Congo became quite important in the economy of Belgium, especially during the two world wars. This case may indicate an upper limit of the importance of an African colony for metropolitan capital and the metropolitan state.

Dahomey: A Colonial Case Study

I reproduce here a quotation from my 1982 study of Dahomey that reveals a frustratingly incomplete analysis of the economic functioning of African empire. The reader will note that the analysis is coloured as much by

the search for a perpetrator of African stagnation as by a diagnosis of systemic function and malfunction.

In whose interests did the French state rule? In the interest of humanity, claimed those who celebrated the new limits on capital punishment and slavery under the French; yet the *indigénat* continued. In the interest of economic development, read the government tracts; but a third of the taxes were collected only to be sent out of the country. The question becomes more specific, however, if it is rephrased to refer to the constituency of the state rather than to its ideals. At whose command did the colonial state act? Certainly not at the command of its Dahomean subjects. At the command of the French merchants, perhaps? Victor Régis would sadly replay in the negative: his firm had sought French control of Dahomey beginning in the 1840s, but collapsed after a decade of colonial rule. Three possibilities remain. First, the state in Paris and Dakar was an obvious reference point. Yet to have one state act as sole constituency for another state seems incomplete. Second, the French bourgeoisie: that the leading class in France should set policy for its colonies is a sound premise, yet it remains to be shown what specific requests it would have of Dahomey. Third, if these avenues fail, one must conclude that the colonial state had no principal constituency, and acted on its own in response to the interests of individual officials, or in an eclectic reaction to varying pressures from many sources.[22]

The empirical record on colonial Dahomey leaves one with unanswered questions about the logic of empire. In Dahomey, taxes rose by a factor of eight from 1893 to 1910, while expenditures rose by a factor of four. A federal government for French West Africa was established in 1905

[22] Manning, *Slavery, Colonialism, and Economic Growth*, 162-163.

in Dakar: it confiscated customs duties from the colonies, and also sold bond issues. It spent on further military conquest and bought out private railroads and invested in other public works. In 1910 40% of state revenue from Dahomey was spent inside the colony; the rest went to Dakar and France. Fiscal policy in Dahomey remained highly contractive to 1945 and slightly contractive thereafter. Government collected surplus at an estimated 2% of GDP in 1893, up to 9% 1903, and exported 2-3% of GDP per year to Dakar. In a remarkable episode, export prices fell to one-fifth their previous level from 1928 to 1934, but head taxes, payable in cash, remained unchanged in nominal francs: the result was to denude the population of currency for three years. It makes little sense.

More Questions

The hope for future analysis, and the reason that such a preliminary paper is presented to this group, is that a global framework of analysis may help to resolve the riddles of Africa's place in the world economy. Questions on the specific experience and role of this immense, populous, and economically backward continent may be worked out in tandem with an effort to theorize and analyze all the parts of the global economic system, and get beyond the tendency – still powerful – to analyze the economic high spots and assume that the rest can be safely neglected.

What was the impact of empire in the world economy? Such a question and its corollaries, appropriate for this GEHN conference on imperialism, are posed at a macroeconomic level. Did empires reallocate resources efficiently? Did they speed technological change and economic growth in the imperial centres? Did they contribute positively to the growth and transformation of the world economic system? Did they create

destructive wars, expropriation and wasteful concentration of resources, thereby creating unproductive inequities and slowing economic growth? What were the structures and processes if the world economic system? How did the various parts of the system fit – effectively and ineffectively – into the whole?

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