The History of Capitalism:

The Age of Plunder: How We Traded Africa

By Bronwen Everill, Leverhulme Early Career Fellow,
King's College London

6 May 2015

* * *

The eighteenth century was the century of the Atlantic Economy. British trade to America and Africa multiplied by nearly eight times from the beginning of the century to the outbreak of the American Revolution.[1] British exports to America and Africa grew in value from £375,000 to nearly £3.7 million over the century. African exports increased dramatically over the course of the eighteenth century–Gum Arabic, gum Senegal, ivory, gold, camwood, rice, guineawood, beeswax. But most strikingly, slaves. [**Slide 1**]

Many of these commodities were important to the growth of industrialisation in Europe. One—the commoditised labour performed by the enslaved—was essential. Together, these imports and exports helped to create an Atlantic consumer culture. **[Slide 2]** African goods were in demand in London. American goods were in demand in Forekariah and Sherbro. British goods were in demand in Philadelphia. And African labour was in demand everywhere. As one anonymous trader wrote in 1772, 'How vast is the importance of our trade to Africa, which is the first principle and foundation of all the rest; the main spring of the machine, which sets every wheel in motion.'[2]

The eighteenth century saw two important turning points in the development of European trading relationships with Africa: first, the exponential expansion of the slave

[1] Stanley Chapman, *Merchant Enterprise in Britain* (Cambridge, 1992), 5.
[2] Library Company of Philadelphia, Merchant of Africa, *A Treatise upon the trade from Great-Britain to Africa* (London, 1772), 5.

trade, and the growing reliance of all parts of the Atlantic World on a slave-based economic system. And secondly, at the end of the eighteenth century, the growth of the abolition movement and the subsequent reframing of economic and political relationships with African states and people. These two commercial innovations not only shaped the way that we imagine Africa's place in the global commerce of the nineteenth, twentieth, and twenty-first centuries. They also gave rise to numerous developments in the history of capitalism. Atlantic commercial ventures in Africa reflected and affected the development of *industrial* capitalism, the dynamics of imperial commercial relationships with West Africa, and the changing consumer thinking about the products of Empire.

In this lecture, I'll be exploring the organisational innovations, the political innovations, and the economic innovations that emerged from the engagement of European and African states, companies, and individuals in the long eighteenth century. The British, Dutch, French, Portuguese, Fante, Fula, Efik, and Kongo: all of these groups developed new systems for incorporating the slave trade into their economies, expanding their global economic connections, and developing new ways of extending long term, long distance credit.

The rise and fall of the Royal African Company illustrates the dynamic evolution of Atlantic trade in the period, and also set the stage for the type of commercial relationship that would define much of the global economic interaction with African states up to the present. So I'll begin by looking at the operation of the African trade over the course of the long eighteenth century. And then I'll explore in a bit more detail the themes of organisational, political, and economic innovations as they emerged over the long eighteenth century.

The African Trade

The rise of export trade – and ultimately, the slave trade – was not a process that 'happened to' Africa, but a varied process that involved both resistance to and complicity in the expanding trade. The growth of African Atlantic commercial enterprise had a great deal of regional and even local specificity, not unlike the commercial dynamics at play in Europe and North and South America. [**Slide 3**] Why did sugar take off in Cuba, tobacco in Virginia, shipbuilding in New England? Why did the slave trade operated so extensively from Bristol and Liverpool and not Ipswich and Portsmouth? Why did the Wolof and Fante end up being important slave traders, but the Kru become known as excellent pilots, and the Balanta become most famous for their resistance of the slave trade? Primarily, this was due to a combination of local political and economic dynamics and social change over the 18th century, path dependency, power dynamics, and local resources.

In this section, I'll discuss the mechanics of the trade. The long eighteenth century – in this case, from 1660 to 1807 – saw a change from royal chartered companies to an emphasis on independent, separate, or as I will refer to them here, private traders. This was the result of:

1) political and economic transformations in Britain
2) interactions between the various European trading companies and traders and
3) the actual political, economic, and commercial situation on the ground in Africa, which, in the end, I would argue had the greatest impact.

The Royal African Company [**slide 4]** and the South Sea Company – the two chartered companies responsible for much of the English (and then British) African trade in the first half of the long eighteenth century – both operated as chartered royal monopolies. In the late 17th century and early 18th century, when they were founded, this was the preferred European structure for operating overseas and imperial trade. In Africa, the Dutch West India Company and French Compagnie des Indes and its successor, the Senegal Company, were the largest competitors for slaves. The companies often went to war or used the occasions of the numerous European wars of this period – the European countries involved in African trade were at war with each other for 73 out of 150 years [**slide 5]** – to attack and raid each other's' forts in Africa, and this contributed to, for instance, the bankruptcy of the Compagnie des Indes.

On the American side of the Atlantic, the major powers were all interdependent for much of the expansionary period of the slave trade and establishment of colonial plantation economies. The Dutch provisioned the French colonies; the Dutch then the French then the British provided slaves to the Spanish colonies; the British American colonists made trading fortunes in Spanish and French Caribbean colonies; and the Portuguese were able to focus almost exclusively on an extractive economy in South America because they could rely on British manufactures and financing. Around the Atlantic, demand for enslaved labour to produce the tropical commodities that had become an essential part of 'modern' life – sugar, cotton, indigo, rice – fuelled the expansion of the groups involved in providing that enslaved labour.

The shareholders in the Royal African Company attested to the connections between royal prerogative and early commercial expansion into the Atlantic, and demonstrate the seventeenth century style of Atlantic commercial expansion. Wealthy London merchants were joined by numerous members of the Stuarts. The Duke of York – Charles II's brother, James (later James II) – was the main shareholder and director at its founding, first as the Company of Royal Adventurers Trading in Africa in 1660 (at the restoration), and was responsible for leading the merger with the Gambia Merchant's Company to establish the Royal African Company in 1672. When the Gambia Company's charter expired in 1678, it fully merged with the Royal African Company. [**Slide 6**] The new Royal African Company was given a royal monopoly of the slave trade from its incorporation in 1672 until that charter expired in 1698. Between 1672 and 1689 the Royal African Company was responsible for the transportation of 90,000-100,000 Africans.

As William Pettigrew's important new book *Freedom's Debt* has indicated, the changes that took place in British political life from the Glorious Revolution in 1688 had an important effect on the development of chartered company trade and free trade in Africa.[3] What followed were the Africa trade debates that shaped the terms of slave trading in the 18th century. Because the Company had to come to the new parliament, in the wake of the Glorious Revolution, for confirmation of its monopoly, it was in the unique position of being the focal point of debates about the old order and the new. Independent traders, who had far less influence in the old regime, but therefore also

---

[3] William Pettigrew, *Freedom's Debt* (Chapel Hill, 2013).

had fewer ties to it after 1689, were able to make a case for the opening up of African trade as an important point of principle. In 1698, an act was passed by parliament which recognized the continuation of the Royal African Company's charter for a further thirteen years, but at the same time opened the African trade to all English merchants, on the grounds that they would pay the company a ten per cent duty on all goods and people exported from Africa between Cape Mount and the Cape of Good Hope, and a ten per cent duty on all *imports* and exports in the region of the African Company's major forts, with an exemption on slaves and gold, and a reduced duty on redwood. According to Pettigrew, this effectively decimated the Company's share of the slave trade, which dropped from 88 per cent in 1690 to 8 per cent in 1701.

This was an important change because in the late seventeenth and early eighteenth century, the slave trade was largely operated out of a selection of forts along the West African coast built and manned by the European Chartered Companies [**Slides 7- 11]**. These were established using a combination of European and African precedent. The RAC, following European traditions of establishing military forts to defend trading interests, improved on the fort at Cape Coast, defended existing forts against attack by the Dutch (who had challenged their position in the Gold Coast in 1664 and 1665) and the Portuguese, and built forts at Dixcove, Sekondi, Anomabo, Accra, and Ouidah.

The fort at Anamabo is a good example of the territorial and trade rivalry that shaped the Africa trade. Built initially by the Dutch in 1639, it was then captured by the Swedes and then recaptured by the Dutch in 1660. The Treaty of Breda, which ended the Anglo-Dutch War in 1667, granted Anamabo to the British, who built their own small fort there beginning in 1672. They abandoned building a few years later to focus on Cape Coast Castle. But because of the licensing rules, established in 1698, which allowed independent traders, not affiliated with the Company, to trade at Company forts for a 10% fee, Anomabo stayed within the British sphere of influence.

In West Africa, a number of societies had a pre-existing model for incorporating trading diasporas and itinerant traders into their polities. This model has been termed the 'Landlord-Stranger' model in the historical literature. In effect, the ruler of a particular place would assume the role of 'landlord' for the new trader, representing them in any disputes and vouching for their character (and debts). The stranger would then pay any taxes, custom duties, landing fees, etc. to their landlord. Many times this relationship was formalized through intermarriage, thus incorporating the stranger into the community. When it came to setting up forts for trading, then, both parties had some amount of precedent for the relationships that would develop.

Unlike later colonial settlement, the Royal African Company and other chartered companies were quite circumscribed in their political role, and although they certainly supported factions and provided the guns, funding and trade goods that helped to support some regimes and topple others, the high rate of turnover of European personnel on the coast (largely a result of disease) and the incorporation of other traders into the families of African rulers meant that landlords and strangers often shared interests.

By the early eighteenth century, however, the 17^{th} century trading and political status quo was already being challenged by the development of new political and economic alliances in both Europe and Africa. For instance, from 1694 until 1700, the company was a major participant in the Komenda Wars between Dutch and British traders, allied to different African leaders, in the port city Komenda in the Eguafo Kingdom in modern-day Ghana. During the four Komenda Wars, the Royal African Company allied with a merchant prince named John Cabess to depose the sitting king of Eguafo and permanently establish a fort and factory in Komenda in order to control the gold trade from this region. However, the conduct of the wars, and the instability they caused led to the growth of the slave trade from the region as civil wars ensued for control of the trade to the British and captives from the wars were sold off to pay for the mercenaries and guns necessary to win. The barriers to entry in the slave trade were briefly lowered by the political instability of these kinds of wars.

In the eighteenth century, the rise of the British independent or private traders affected the relationships that had formed along the coast, and challenged the primacy of the state monopolies on trade. For both African and European participants in the slave trade, over the course of the eighteenth century, more and more trade was conducted on behalf of individuals rather than as royal agents. When the 1698 act expired in 1711, the private traders argued that they shouldn't have to pay the 10% duty anymore. The Company, which then bore the entire cost of maintaining forts and defence, was in need of a new lifeline to support it both politically and economically.

Another chartered company was formed in 1711, called the South Sea Company. This company, founded by Queen Anne's chief minister Robert Harley [**Slide 12]**, actually existed primarily to buy British government debt, but it saw the slave trade as a potential avenue to explore in the quest for providing itself with a legitimate trading purpose. The South Sea Company held the Spanish *asiento* (the monopoly for supplying the Spanish colonies in the Americas with African slaves) from 1713, which made it, in combination with the Royal African Company, and by extension the British state, the largest slave traders in the eighteenth century. However, its slave trading was conducted through the Royal African Company.

At the conclusion of the War of the Spanish Succession, the Treaty of Utrecht gave to Great Britain a thirty-year *asiento* or contract, to furnish (supply) 4800 slaves and 500 tons of goods per year to the Spanish colonies. The monopoly had previously been held by the Compagnie de Guinee of France (between 1701 and 1713). Prior to that, Spain had contracted with the Netherlands and with Portugal for providing its New World plantation colonies with the labour required to produce sugar and tobacco for European markets. This new charter provided British traders the virtual monopoly on providing slaves to the formerly closed Spanish markets in the Americas. The *asiento* was not a straightforward contract, however. Disputes over the treaty led to the Caribbean War of Jenkins' Ear (1739) between Spanish and British actors.

Harley awarded the contract to provide the South Sea Company with 4800 slaves to the Royal African Company largely because of the close ties between that company's board and the Tory leadership. But the inability of the Company to keep up with the private traders, and the South Sea Company's failure to pay for the contracted slaves, made the RAC turn to the new Hanoverian monarch to propose a new approach to African trade: one that considered trade *to* Africa and the establishment of plantations and commerce with the interior of Africa in place of the earlier focus on slave exports. The appeal to the monarchy was well-timed and coincided with both a stock market boom and a chance to finance the new king's debt. The political, economic, and personal connections between the South Sea and Royal African Companies in these crucial bubble years would lead to later accusations that the Royal African Company participated in the same share-price-inflating tactics and manipulations.

In 1720, under the guidance of their new director, the Duke of Chandos [**Slide 13]**, the Royal African Company restructured its finances to raise funds to cover the existing debts and recapitalize the Company for new pursuits in the African interior. When those schemes failed it was largely because they vastly overestimated the Company's ability to claim territory or usurp African ownership of the gold mines. Effectively, the only trade that Africans were willing to allow to be controlled by foreigners was the slave trade.

The revival of the Company's fortunes in the 1740s reflected the growing French threat to British African commerce. But it was short-lived; as the private traders made a strong case that any re-establishment of a regulated monopoly would lead to worse financial disasters than had occurred as the South Sea and Royal African Companies had used stock market manipulation to expand their share prices (and the fortunes of their directors).

The Royal African Company continued to operate in an official capacity until 1752. From that point on, the Company of Merchants Trading to Africa [**Slide 14]** took over the operation of the British forts on the coast until they were incorporated under the government of British West Africa (with its capital in Freetown) in 1821. The new Company of Merchants was a regulated body, but not a monopoly. They were responsible for maintaining the forts, but trade was entirely conducted by private traders.

Both African and European individual traders hoped to cut out the middlemen and reduce the infrastructure costs of the old ways of trading: no permanent establishments, no (or greatly reduced) customs payments and taxes for trading privileges. The groups and places that had been shut out of the trade prior to 1752 saw their fortunes increase dramatically over the next thirty years, as the proliferation of independent traders and the growing number of ports involved in the slave trade led to an increase in competition, but also an increase in the amount of the slave price going directly to the seller.

The political unrest and instability of the early eighteenth century helped to fuel the expansion of the slave trade, but it also threw trading alliances into chaos and undermined the relationships between the trading companies and the African middlemen they relied on. Along some parts of the coast, therefore, new polities were formed by the mid-eighteenth century to respond to the need for commercial stability. As new African and European political and economic systems emerged in the mid-eighteenth century, it was clear that Atlantic commerce was crucial to the survival of both. In the eighteenth century the European chartered companies tended to be based out of ports that were controlled by African states in the interior (rather than being capitals in and of themselves). For instance, Ouidah, [**Slide 15]** in modern Benin, was the port for Atlantic trade for the Dahomey kingdom, but its capital was inland, in Abomey. In these port cities, new organisational structures (like trading guilds or neighbourhood 'companies') emerged. The port cities also created a merchant elite that may have been related to the royal authority, but which still had a separate power (something that would become very important in the nineteenth century transitions from the slave trade).

In the Gold Coast, where the Royal African Company's had forts at Anamabo and Cape Coast and the Dutch held Elmina, the Fante [**Slide 16]** emerged by the mid-eighteenth century as the dominant trading partners. Recent research on the Gold Coast slave trade, by people like Rebecca Shumway and Ty Reese, has emphasised the role of the Fante as important economic actors in shaping and responding to the growth of the commerce in enslaved people.[4] Their political structure emerged from the wars of the early eighteenth century and was therefore formed by and also subsequently helped to shape the slave trade in the region.

In the Bight of Biafra, the Aro expansion of the eighteenth century was the most important factor in the development of this region as an Atlantic commercial hub. The Aro diaspora spread throughout the interior, establishing settlements while maintaining relationships with the 'metropole' in Arochukwu in the Cross River.[5]

The Efik were one group that formed a trading guild in the Cross River (in modern Nigeria), called the Ekpe. Antera Duke, a member of the Ekpe guild, kept a diary of his business in the 1780s. As Braidwood, Latham and Northrup point out in the introduction to their edition of Duke's diary: 'Antera wrote his thoughts at a peak period of trade when Efik merchants, over a three-year period, sold Europeans 15,000 slaves, 500,000 yams, and 100 tons of ivory, palm oil, dyewood, and pepper.' [6]

At the various port cities, such as Ouidah, free trade was enforced by the African authorities. This was obviously in their trading interest, as the European competition for captives and for goods would drive up prices. But it was in the interest of the European traders, as well, who knew that they would be protected from attack by the rules of the free ports. So, European traders also preferred to trade there, even though they would potentially be paying higher prices for the benefit of security from other European powers.

But slave trading was not the only activity that these new elites managed. For instance, in the extended region around Sierra Leone, commercial plantations expanded to provide rice, palm oil, and other staples for feeding those engaged in the slave trade, as well as the slaves themselves while they awaited transport. In parts of Nigeria, palm

---

[4] Rebecca Shumway, *The Fante and the Transatlantic Slave Trade* (Rochester, 2011); Ty Reese, " 'Eating' Luxury: Fante Middlemen, British Goods, and Changing Dependencies on the Gold Coast, 1750-1821," *William and Mary Quarterly* 66, 4 (2009).

[5] G. Ujo Nwokeji, *The Slave Trade and Culture in the Bight of Biafra* (Cambridge, 2010).

[6] *The Diary of Antera Duke, an Eighteenth-century Slave Trader*, ed. By Stephen D. Behrendt, A.J.H. Latham, and David Northrup (Oxford, 2010), 4-5.

oil began to gradually replace the slave trade as the most important export from the end of the eighteenth century.

Because of the prolonged nature of the trade – which often took up to six months – the British private traders benefitted from the protections offered by the Company's forts and their defences. African middlemen living near forts also saw some benefit, as they could make money through offering up their dependents and slaves as labourers in the maintenance of the forts.[7] They also benefitted from the expansion of the trade brought about by these wars and the shifting political landscapes that the European trading presence on the coast caused. In other words, both African and European traders were jockeying for control of trade, with competition between royal and private traders in both contexts aiding in the expansion of the trade.

As Pettigrew has argued, it was in fact the debates over the end of monopolies, and the expansion of so-called 'separate' traders that had the biggest influence on the exponential growth of the slave trade in the eighteenth century.

On the commercial side, the separate/independent/private traders were able to operate with much lower levels of investment. They did not need to build infrastructure (they relied on the RAC's and Company of Merchants trading to Africa's existing infrastructure) and they had no intention of developing relationships with African leaders interested in expanding mining or commercial agriculture. Their capital could be raised on a per-voyage basis – especially by the end of the eighteenth century and into the nineteenth century – and they relied on a much more impersonal set of credit relationships than the RAC.

In the evolution of the Royal African Company, its competition with the French and the Dutch, as well as with the private traders, and in its on-the-ground trading activities, a number of innovations in the practice of Atlantic commerce emerged. The organisational, commercial, and political innovations that resulted in the 18th century's

[7] Ty Reese, 'The Drudgery of the Slave Trade: Labor At Cape Coast Castle, 1750-1790,' in Coclanis, ed. *The Atlantic Economy during the Seventeenth and Eighteenth Centuries* (Columbia, SC, 2005).

African Atlantic commerce would shape the practice of global capitalism in the nineteenth century and beyond. Some of these innovations had more impact in Europe and others had more impact in the development of African capitalism.

Organisational innovations

David Richardson and Robin Pearson have identified the role that Atlantic commerce played in shaping organisational innovations and expanding the commercial networks that both European and African actors were willing to engage with.

They identify 'more sophisticated forms of internal regulation in domestic stock companies…material forms of guarantee' and a changing legal and political framework.[8]

As a result of the shift from fort-based to ship-based trade that accompanied the transition from chartered companies to independent traders (basically, conducting trade from the ship, with maybe a resident factor) institutional, impersonal forms of guarantee gradually replaced the informal, personal credit relationships that had dominated British overseas commerce in the previous century. The rise of mortgage lending, for instance, was an example of how the expanding African Atlantic commerce required new instruments in place of the diasporic or family networks that came before.[9]

The commission system was another innovation related to the expanded African Atlantic trade. In this system British merchants acted as agents selling consignments of goods from the West Indies on commission, and then sent out goods from Britain to the planters. The planters did much of this in order to pay for slaves brought over by the Royal African Company. The commissioning houses in Britain, already acting as credit institutions, developed other services as well, including, financing and insurance.

Economic and commercial innovations

[8] Robin Pearson and David Richardson, 'Social Capital, institutional innovation and Atlantic Trade before 1800,' *Business History*, 50, 6 (2008), 767.

[9] Pearson and Richardson, 'Social Capital and Atlantic Trade,' 773.

Two main economic/commercial innovations arose from the African trade: the rise of commercial plantation agriculture reliant on enslaved labour; and the development of new forms of long-term, long-distance credit structures in the City of London.

Commercial agriculture [**Slide 17]** was one of the most important economic innovations associated with the rise of Atlantic African commerce. Its impact on the development of the Atlantic economies of the Americas is very well known, and when most people imagine the rise of plantation agriculture in the eighteenth century, that's what they are picturing. A recent book edited by Robin Law, Silke Strickrodt, and Suzanne Schwarz demonstrates that commercial agriculture was an important part of the West African economy throughout the period of the slave trade.[10] This was because the slave trade required a huge amount of food to keep the enslaved alive while they were being transported to the coast; while they waited in merchants' houses, ships, or forts; and for the voyage across the Atlantic.

The commercial agriculture that developed to support the slave trade *also* relied on enslaved labour. New plantation agriculture sprang up in the hinterlands of many of the Senegambian and Upper Guinea Coastal areas, for instance. Some of this was conducted by groups who wanted to participate in Atlantic trade, but who were not interested in slave trading. In other areas, highly centralised states established separate slave villages centred on agricultural production. In Moria, Sumbuya, and Benna – in Guinea – travellers' accounts from the 1780s and 1790s describe slave villages, where cotton, salt, and rice were produced for a coastal trade to growing African port areas, as provisions for slave ships, and for export. These villages were separated from free areas. In villages in Senegambia, oral tradition reports that so-called 'captive Fulas' were placed in the Western part of the village. On both sides of the Atlantic, African commerce was restructuring production modes.

Chandos was correct to identify the growth of African interior commerce as a crucial source of wealth, and his schemes were pursued after he left the directorship of the

[10] Robin Law, Silke Strickrodt, Suzanne Schwarz, eds. *Commercial Agriculture, the Slave Trade and Slavery in the Atlantic World* (James Currey, 2013).

Royal African Company in publications by traders like Malachy Postlethwaite – publications that had a significant impact on the direction of British interventions in African commerce in order to ultimately abolish the slave trade after 1807.

Credit structures were the other important aspect of commercial innovation to arise from the Atlantic imperial trades with Africa. In order to support long term and long distance trade, and to encourage the growth of slave sales in the Caribbean especially, new forms of credit were created in the London market. Roger Anstey described the capital required for a slaving voyage in late 18th century:

Dutch: £8857
British: £8534
French: £9825[11]

According to Richardson 'By 1770 credit most likely underpinned the vast majority of slave sales in British America, with the terms upon which slaves were being bought often reaching 12 months or longer.'[12]

The rise of separate traders and private trading firms meant that British investors did not have the security that a Royal Charter brings. This was a unique result in the British world, since French and Portuguese trading was still largely run through chartered monopolies. Joseph Inikori has argued that it was the need for long-term credit solutions for the slave trade that drove the development of modern credit financing in the London market. Resident traders in West Africa required large capital development financing; African traders to the interior were trusted with long-term commodity credit; plantation owners were able to finance the purchase of slaves; consumers were able to buy slave-produced commodities on terms of credit.

Inikori has highlighted the role of the slave trade in fundamentally forming the practices of the City of London: 'The peculiar credit needs of the British slave trade, and the economics of slavery in the Americas, generated considerable demand for credit that produced profitable opportunities for the creation of credit institutions–

[11] Roger Anstey, *The Atlantic Slave Trade and British Abolition, 1760-1810* (Cambridge, 1975), 5-6.
[12] Pearson and Richardson, 'Social Capital and Atlantic Trade,' 770.

opportunities that were greater and more attractive than were ever offered by the preexisting domestic trade and trade with Europe. Interstate struggles in Europe over the control of the Atlantic economic system also compelled public borrowing which, in England further stimulated the development of financial institutions.'[13]

As Stanley Engerman has written, 'over the course of the eighteenth century Britain shifted from being a net importer of capital, primarily from the Dutch, to being a net exporter of capital, primarily to the New World colonies and to the United States'.[14]

With exploding demand for African labour to produce the sugar, rum, cotton, and tobacco around the Atlantic from consumers increasingly able to buy on credit, African slave traders were in turn extended more and more generous terms of credit. They were given goods on extended terms – often six months to a year – to go into the interior and trade for slaves. The collateral was typically a pawn (kin, usually, who could be enslaved should the trader fail to return with slaves). One trader described the process, which lasted well into the nineteenth century: 'When a ship is going down the coast, they leave the goods on shore: and when she comes back, they are paid in palm oil; and sometimes, of late, when the ship has a small quantity of goods remaining, they have left it with the natives to be paid the next voyage.'[15]

As described by Richardson and Pearson: 'Bonny, which emerged as the largest single port servicing British slave ships in Africa from 1730, credit protection became associated with still other – more impersonal – mechanisms.' In Bonny, for instance, the *amanyanabo* (military leader) became the ultimate authority in the regulation of external trade, including settling disputes over debts. Traders here also used letters of recommendation inscribed on ivory bracelets or disks. As security and advancement of credit by British traders expanded throughout the Atlantic world, it relied on hybrid systems, formed in conjunction with indigenous credit practices, and with newly

---

[13] Joseph Inikori, 'The Credit Needs of the African Trade and the Development of the Credit Economy in England,' *Explorations in Economic History*, 27 (1990), 199.
[14] Stanley Engerman, Mercantilism and Overseas Trade, 1700-1800 R. Floud & D.N. McCloskey (eds.), *The Economic History of Britain Since 1700* . Cambridge: Cambridge University Press, 194.
[15] G.C. Redman, 1842 as cited in C.W. Newbury, 'Credit in early nineteenth century West African trade,' *Journal of African History*, 13, 1 (1972), 84.

emergent business practices. As Pearson and Richardson demonstrate, 'the more impersonalised, state-regulated systems of Bonny apparently [were] associated with faster loading rates and much higher levels of slave exports than those tied to other more personalised and decentralised ones linked to kinship.'[16]

In Ouidah, credit and debt worked both ways. Europeans landed goods for African slave traders – sometimes amounting to the value of 70 slaves. Africans, meanwhile, accepted promissory notes to be settled for the goods that made up the trading currency of the coast when the European ships were set to leave at the end of the season.[17]

Credit crisis

The over-extension of lines of credit all along the Atlantic supply chain was an important factor in driving the turn away from the slave trade in all the participating markets. In a discussion of the relationship between capitalism and the development of humanitarianism, John Ashworth has argued of the burgeoning anti-slave trade movement that its proponents sought 'a rigid separation between those areas of life where the market could rule and those where it was forbidden'[18] and Philip Gould sees anti-slave trade writings as expressly defining acceptable and unacceptable (or 'barbaric') commerce. The anxieties about overconsumption and dependency were certainly amongst the catalysts for the British and American anti-slave trade movements. In the Gold Coast, Ty Reese has noted that luxury imports so glutted the market that there was inflation and a real wage decrease as a result since people were paid in goods.

In 1789-1791, the emergence of an Islamic 'revival' in the state of Moria, in the hinterland of Freetown, centred on 'cleansing and correction' and led by the Mandingo religious leader, Fatta, shared much in common with the providential movements and evangelical revivals of Britain and North America in the period. A similar revolution

---

[16] Pearson and Richardson, 'Social Capital and Atlantic Trade,' 770.
[17] Robin Law, *Ouidah: The Social History of a West African Slaving Port, 1727-1892* (Athens, OH, 2004), 133-135.
[18] John Ashworth, 'The Relationship between Capitalism and Humanitarianism,' *American Historical Review,* 92, 4 (1987), 824.

occurred in Futa Toro on the Senegal River beginning in 1776. These revolutionary states at least temporarily resolved not to participate in the Atlantic slave trade anymore, though like France and America, they found that their economies really did need slave labour to continue, since the new leaders needed the credit and income to keep their armies functioning.

Political innovations and economic ideology

This leads nicely into last of the forms of innovation that contributed to the development of modern capitalism: political economic thinking. Aside from the role of a late eighteenth century credit crisis in provoking new thinking about the economic morality of the slave trade, the African Atlantic had a more fundamental role to play in the development of economic ideology. Pettigrew has identified the arguments over political support for the Royal African Company as critical to the development of the idea of 'economic freedom' and free trade ideology **[Slide 18]**. The ability to participate in Atlantic trade ultimately became a 'right' to participate in Atlantic trade, and the 'right' to free trade became enshrined in eighteenth century British economic ideology.

The eighteenth century African trade led to innovations in economic ideology around the Atlantic world, largely as a result of the growth in opportunities for profit and the complex credit structures required for the trade. Complex credit arrangements required more than just partnerships, or family networks. They required more impersonal innovations that ultimately had an influence on the way that commercial relationships were imagined as impersonal and individual, rather than familial and personal. Growing opportunities for profit and for reinvestment of profits from other forms of global trade meant that more people wanted access to foreign markets. Ultimately, this resulted in a growing class of individuals interested in challenging the chartered company monopolies of the seventeenth and early eighteenth century model of overseas capitalism.

Conclusion [Slide 19]

By the end of the Napoleonic Wars, the slave trade from Africa North of the 'Line' had been legally abolished (it's continuation in practice was the target of repeated European and American campaigns through the mid-nineteenth century). But many of the commercial practices that had been formed and refined during the eighteenth century continued to shape the political, economic, and organisational relationships between various Atlantic actors. The continuities – in personnel, in trading practices, in locations – all reflected the durability of the impersonal, institutional, long-distance arrangements that had been developed and refined by both European and African actors in the eighteenth century.

Much of the struggle between European and African merchants was over who would act as the middlemen in trade. Controlling the right to trade – regardless of the goods or people being traded – was crucial to the ability to profit in African trade. Not unlike the problem faced by West African economies reliant on commodity exports today, the ports with the lowest trading fees were preferred, and leaders who could access even some amount of custom payment were happy to compete with the stronger governments who demanded higher payments and whose ports were ultimately boycotted or blockaded by the European forces.

Similarly, levels of credit and loans were extended in the eighteenth and nineteenth century in ways that challenged the long-term economic viability of Atlantic commerce for African states. With 'pawns' as collateral during the slave trade and, ultimately, property as collateral in the nineteenth century, traders seeking those very resources had few qualms about overextending credit.

The eighteenth century was a formative century in the establishment of British overseas trading innovations. And, as I hope I have been able to show you (however briefly!) today, these were the result of political and economic transformations in Britain; of interactions between the various European trading companies and traders; and of the actual political, economic, and commercial situation on the ground in Africa.