

Commerce and economic change in West Africa

The palm oil trade in the nineteenth century

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PUBLISHED BY THE PRESS SYNDICATE OF THE UNIVERSITY OF CAMBRIDGE
The Pitt Building, Trumpington Street, Cambridge, United Kingdom

CAMBRIDGE UNIVERSITY PRESS

The Edinburgh Building, Cambridge CB2 2RU, UK
40 West 20th Street, New York NY 10011-4211, USA
477 Williamstown Road, Port Melbourne, VIC 3207, Australia
Ruiz de Alarcón 13, 28014 Madrid, Spain
Dock House, The Waterfront, Cape Town 8001, South Africa

<http://www.cambridge.org>

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First published 1997

First paperback edition 2002

Typeface Monophoto Times NR 10/12 pt.

A catalogue record for this book is available from the British Library

Library of Congress Cataloguing in Publication data

Lynn, Martin, 1951–

Commerce and economic change in West Africa: the palm
oil trade in the nineteenth century / Martin Lynn.

p. cm. – (African studies series; 93)

Includes bibliographical references and index.

ISBN 0 521 59074 4

1. Palm oil industry – Africa, West – History – 19th century.

I. Title. II. Series.

HD9490.5.P343A3585 1997

380.l'413851'0967–dc21 97-7352 CIP

ISBN 0 521 59074 4 hardback

ISBN 0 521 89326 7 paperback

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Introduction

‘This palm oil is of great use to the inhabitants [of Guinea] in several respects’, wrote John Barbot in the seventeenth century, ‘for besides its serving to season their meat, fish, etc., and to burn in their lamps to light them at night, it is an excellent ointment against rheumatick pains, winds and colds in the limbs, or other like diseases.’ It is, he added, ‘no despicable sauce, especially when new’.¹ The palm oil that Barbot eulogised is derived from the fruit of the oil palm, *elaeis guineensis*. The nuts produced by the oil palm contain a fleshy outer pericarp, from which palm oil is produced, and an inner kernel from which palm kernel oil is derived. The latter is a colourless, translucent oil, similar to coconut oil, while palm oil itself is a bright orange-yellow colour, with an odour often compared to violets; on exposure to air the oil turns white, thickens, and over time its odour becomes rancid.²

Elaeis guineensis was classified by Nicolaas Jacquin in 1763. While it can now be found in many parts of the world besides West Africa, most notably South-East Asia and South America, it is clearly of African origin. Fossil pollen similar to the pollen of the oil palm has been identified in Miocene layers in the Niger Delta, while archaeological evidence suggests palm oil was known to and traded by third-millennium Egyptians.³ Conversely, the South American palm is clearly from the post-Columbian era. Linguistic evidence shows that the names used for the oil palm in South America are derived from West African origins. Further, pre-Columbian European travellers to West Africa found the oil palm common.⁴ Cadamosto, writing in the 1460s, gives the first literary reference to palm oil in European sources; he found palm wine being drunk and palm oil being used in cooking in the Senegal region, while Pacheco Pereira, writing of visits to West Africa in the 1480s, referred to palm oil being offered for sale along the Forcados River and palm leaves being used to thatch houses in Benin.⁵

The oil palm in Africa flourishes between 12° N and 12° S, but most particularly within 7° north and south of the Equator. It is distributed widely between the Gambia and Angola and can be found in scattered spots in Central and East Africa and on Madagascar. Its greatest concentration,

however, is in West Africa between Sierra Leone and Congo (former Zaire), with a particular concentration in southeastern Nigeria.⁶ It grows some distance inland from the coast, thriving in a moist, equable climate with a rainfall of between 70 and 100 inches p.a.; it does not do well in the swamps or the dry sandy soils characteristic of much of the West African seaboard. Nor does the oil palm flourish in dense rain forest, needing more light than such forest allows; for this reason its origins as a plant are likely to be in the ecotone between forest and savanna.⁷ Today it is found concentrated in a belt running some 20 to 150 miles from the coast. It is a plant of the lowlands; though it has been found at 3,000 ft or more, it does not grow above 4,000 ft. According to Hartley, it does best in conditions with a rainfall of 80 inches evenly spread over the year, a mean temperature between 22° and 33° C and sunshine of around five hours per day.⁸ It reaches its full height after twelve years of growth, though it can begin fruiting from as early as its fourth year; most commonly it produces fruit after seven years of growth. The tree can live for up to two hundred years and bears fruit for at least sixty. In West African conditions it produces two crops a year: one in May–July and a second in December–January. Its yield is significantly determined by rainfall; rainfall variations produce a cycle of poor yields every four to six years in parts of West Africa.⁹

Palm oil is an important source of vitamins, particularly vitamin A, in the West African diet. Its culinary use in West Africa is long established; archaeological evidence suggests that West Africans used palm oil in their cooking some 5,000 to 6,000 years ago.¹⁰ As Barbot noted, it is also used for lighting and as a bodily ointment, while the palm tree itself provides material for building, particularly roof thatching, and for brushes, as well as being the source of palm wine.¹¹ ‘The palm tree’, noted Corry in 1807, ‘is one of the most useful trees to the African, yielding him meat, drink and raiment.’¹²

From an early date palm oil also found a market overseas. ‘There is not another tree in the whole world which produces money with so little expense as this particular crop’, stated Morel, and Europeans were quick to grasp its value.¹³ As Pacheco Pereira noted, palm oil has been sold to European traders from at least the 1480s.¹⁴ The first recorded English purchase came in 1588 when Capt. Walsh bought a quantity at Benin.¹⁵ As the transatlantic slave trade grew, sales of palm oil to Europeans became more common, the oil being used for provisions on the voyage to the Americas. During the subsequent centuries of the Atlantic slave trade, palm oil exports continued to be used for this purpose; an increasing quantity, however, was traded to Europe. During the eighteenth century Britain imported a small but growing amount of ‘oils and fats’ from Africa; this increased to an average value of some £6,000–£10,000 per year by its end.¹⁶

It was in the early nineteenth century, following the abolition of the British slave trade, that palm oil exports from West Africa began to increase significantly. Thereafter, palm oil was to become the quintessential commodity of the era of so-called legitimate trade for large parts of West Africa. In 1807, the year of abolition, Britain imported 2,233 cwt of palm oil from West Africa; by the 1840s this figure had risen to an average of 426,087 cwt p.a.¹⁷ From then on palm oil was to be the most important item British traders bought from West Africa until the end of the century, with imports (from all parts) reaching a peak for the century of 1,262,933 cwt in 1895.¹⁸ The reason for the sharp rise in the trade lay in the increasing industrialisation of Britain during the nineteenth century and the demand this generated for tropical products. Palm oil was used as a lubricant for industrial machinery and railway stock as well as being an essential ingredient in the manufacture of soap and candles. It was valued too as an important source of glycerine and in the processing of tinplate. From the middle of the century this trade in palm oil was joined by trade in palm kernels. British imports of 'nuts and kernels' (of all sorts) from West Africa rose from 592 tons in 1855 to 34,186 tons by 1895.¹⁹ The key factor in the increase in British palm kernel imports was the development of a mass market for cheap margarine; palm kernel oil came to be used extensively in its manufacture, with the residue of the kernels being used as a cattle food.²⁰

Palm products were therefore an important, if neglected, aspect of Britain's nineteenth-century industrial history and, as Flint and McDougall point out, the growth in West Africa's legitimate commerce needs to be tied firmly to the development of the Industrial Revolution.²¹ The emergence of the palm oil trade thus illustrates the broader development of international commodity trades in the nineteenth century, the place of tropical products in the metropolitan economy, and the growth of a world market in these years. It highlights, too, the integration of the commodity producers of the tropical world into that world market.

Study of the oil trade is also important in illuminating the relationship between Britain and West Africa in the nineteenth century. With the palm oil trade came an increase in the British presence in West Africa, as traders, missionaries, naval officers, and consuls arrived on the coast. For the British, legitimate trade such as that in palm oil was part of a broader attempt to change West Africa through 'commerce, Christianity, and civilisation'. Such trade, it was felt, would renovate West Africa's economy after the ravages of slaving. More than that, it was believed, it would transform West Africans, turning them into model Victorians keen to encourage commerce and to buy British goods. Palm oil trading was at the heart of the vision British policymakers had for remodelling West Africa's economy during the nineteenth century.²²

The other importance of the growth of the palm oil trade lay in its impact on West Africa's economy, and this is one of the main concerns of this book. For many parts of West Africa, the nineteenth century was the century of palm oil: palm products were the major agricultural export for large parts of the region during most of this period. More specifically, the growth of palm product exports played a central role in the changes in West Africa's economy that followed the decline of the slave trade. While it is important to recognise the limits to the export sector in West Africa's economy, for those West Africans involved in exporting, the transition from slaving to legitimate trade in the first half of the nineteenth century was, on the surface at least, a change of major significance. Precisely what that change was, and what its impact was, has, however, remained an issue of considerable debate among historians.

Though palm oil featured in McPhee's *The Economic Revolution in British West Africa*, published in 1926, the first academic historian to focus specifically on the West African trade in the commodity was Stilliard in his 1938 thesis.²³ However, Stilliard's work – still the only specialist study of the topic – focused very narrowly on the methods of trading utilised by European traders, and on the first half of the century. Subsequent historians considered the oil trade as part of the broader debate about the impact of the transition from slaving on West Africa.²⁴ During the 1950s and 1960s – though this reflected a much older historiography – a number of historians began to argue that the transition to legitimate trade meant that the ruling elites of West Africa faced a major threat to the basis of their power and wealth. This generated, it was suggested, severe political instability in many parts of the region. Several historians developed this idea, though it was Kenneth Dike, in his *Trade and Politics in the Niger Delta, 1830–1885*, who first directly addressed the role of the palm oil trade in causing these problems.²⁵ Dike's book was notable on a number of levels, not least for examining the development of the oil trade in depth for the first time and, unlike Stilliard's work, for attempting to place it within the economic history of the Delta states. However, it was the underlying theme of his work that was perhaps its real importance. For Dike, the transition to palm oil trading caused serious political instability within the states of the Niger Delta by encouraging the rise of new social groups, particularly slaves. The resulting internal tensions, he argued, by providing opportunities to intervene which British officials were quick to seize, ultimately facilitated colonial take-over.

In an article published in 1968 that examined late nineteenth-century Yorubaland, Tony Hopkins refined these ideas into the notion of a 'crisis of adaptation' for the elites of the region.²⁶ The transition, suggested Hopkins, undermined the power of existing ruling elites whose position had hitherto been based on the slave trade, and thereby generated a deep

crisis within late nineteenth-century Yorubaland. This crisis, by fuelling the Yoruba wars of this period, eventually prompted British traders to call for political intervention in the interior, and thus contributed to the colonial occupation of this part of West Africa. Hopkins took the idea of a 'crisis of adaptation' a stage further in his *Economic History of West Africa*, arguing that, in contrast to the view that saw colonial rule as the start of 'modernity', the transition from slaving to legitimate trading marked the real beginnings of the modern era in West Africa's economic history.²⁷ The move to legitimate trading, he argued, was accompanied by the opening of the export economy to a wider sector of society, a shift to smaller-scale units of trading and production, and the spread into the interior of cheap, mass-produced consumer goods from Europe, all of which, he suggested, marked an important break in West Africa's history. Further, the transition to legitimate trade encouraged the commercialisation of labour and land and the development of service industries like transport, and in this way generated a new phase in the growth of the market in the economy of West Africa.

Not all historians of West Africa have been persuaded by the idea that the transition represented a 'crisis' or even a break in the region's history. Critics have stressed the continuities in West Africa's economic history in the nineteenth century, the relatively limited impact of the new trades within the broader structures of the region's economy, and the capacity of the region's elites to maintain power in the face of the challenges that came with the transition.²⁸ In particular historians of the oil trading states of the coast such as Alagoa and Latham have been sceptical of the idea of the transition causing more than temporary strains, though the issues for the oil producing societies in the interior remain less clear.²⁹ More broadly, Austen has stressed that the relatively limited development of the West African export economy meant that the region's response to the transition was characterised by flexibility and adaptation rather than any systemic breakdown.³⁰ For many historians, therefore, it was the changes that followed colonial conquest at the end of the century that remained the critical break in West Africa's economic history. The most recent writer on Africa's economic history to produce an overview, Tiyambe Zeleza, has argued, however, that the real break in West Africa's economic history came not in the early part of the century, but in its middle with the sharp change in the relationship between African and European merchants and a shift towards ideas of monopoly capitalism among the latter thereafter.³¹ The debate clearly remains open.

If ultimately the debate about the transition comes down to the familiar argument among historians between proponents of continuity and proponents of change, none the less its significance is in illustrating wider issues in West Africa's economic history and the role of palm oil within it. It would be wrong, however, to see the palm oil trade solely in terms of its

place in the transition debate, for the importance of the trade goes far beyond that. Since the early 1970s, historians who have dealt with palm oil in the nineteenth century have concentrated, broadly, on two different spheres of interest. For some historians palm oil's importance has been its place in trade between West Africa and Britain. The topic thus played an important role in several studies produced by Peter Davies, which built on earlier work by C. J. Gertzel.³² For historians whose primary concern has lain with palm oil's position in trade with Britain, perhaps the most significant issue has been the question of the downturn in prices in the late nineteenth century, a phenomenon that was quite distinct from the transition to legitimate trading.

The fall in prices of West Africa's exports in the 1880s has been examined by a number of historians, most notably by Newbury, and debate has ensued on the causes of the downturn, how far it caused problems for European traders and African suppliers, and the consequences of this for West Africa's trade. Not least, the question has arisen as to its impact on traders' attitudes to colonial expansion. Munro and Austen, in their overviews of this period, have stressed the impact of the price falls of the 1880s but have also noted the importance of keeping this within the perspective of a broader context, in which other commodities might have compensated for the fall in oil prices, and in which price falls were simply part of a much wider change in relationships between Britain and Africa.³³ The exact nature of the crisis – if such it was – of the 1880s and its impact on traders still remains unclear, and work is undoubtedly still needed for specific studies of West Africa's commodity trades to address the important questions thrown up by the price falls of the 1880s. How far in fact did prices fall? What lay behind this fall in prices and why did it take such a severe form – if it did – in West Africa?

Other historians since the early 1970s have examined palm oil in the nineteenth century in terms of its impact on West African agriculture and society, and in terms of its role in generating economic change within the region. Land individuation, labour, and gender relations are all elements that have been examined in recent years as part of this impact, not least – and with immense insight – by Susan Martin.³⁴ Other scholars have examined production and trading in palm oil or kernels in terms of its place within the economy of a particular society or area: Wilson's work on the Krobo, Oriji's on the Ngwa, and Adam Jones' study of the Galinhas are examples, while both Northrup and G. I. Jones have analysed the impact of oil production more broadly in southeastern Nigeria.³⁵ In turn these studies have raised the question of what place the export sector took in the wider context of West Africa's economy. The issue at root is whether or not external trade was essentially costless for West Africans. For some scholars, the

development of exports in palm oil took place relatively easily and with few costs for West African traders or producers; oil trading was only a part of the wider structure of the region's economy and its development represented a utilisation of underexploited factors of production. For others, stressing the degree to which West Africa became dependent on the world economy, the oil trade brought with it great changes and costs for those societies that became tied to the vagaries of the international economy through it.³⁶

Even if one accepts that there was much more to West Africa's economy in the nineteenth century than the export sector, clearly palm oil was not a product of marginal importance to West Africa's history or indeed its historiography. Yet until this present work, no study has tried to integrate these two approaches – of trade and of agriculture – into one specialised study of the history of palm oil. In doing so, I intend to show that palm oil's importance for West Africa is that it illustrates three interrelated questions, or, more strictly, sets of questions. Firstly, did the development of oil trading represent a break in West Africa's economic history? Or, to put it another way, what changes did the development of the palm oil trade in the nineteenth century generate among brokers and producers within West Africa, and did these changes, whatever they may have been, amount to a crisis in some way for West Africa's economy? Secondly, why did the palm oil trade encounter such severe difficulties in the late nineteenth century? What were the factors generating these difficulties and what were their consequences? Thirdly, what light does the trade throw on the economic relationship between West Africa and Britain? How far did changes in the British market have an impact on West Africa? Did the changes in the trade in the nineteenth century occur because of developments in Britain or in West Africa, or from some interrelation between the two?

To study the palm oil trade between West Africa and Britain in the nineteenth century is therefore to address central aspects of nineteenth-century West African history as well as neglected dimensions of the history of British industrialisation. The aim of this study is to throw light on these issues by providing an economic history of the trade in palm products in the widest sense, examining the impact of this trade on producer, broker, and trader alike. By focusing on the economic structures of the commerce, however, the aim is to stress elements that have not received sufficient recognition in earlier studies: the role of technological change and shipping, the growth of the British market, and the development of new managerial techniques within the trade and within the trading firms operating on the coast. In doing so, the study will illuminate the way West Africa adjusted to the ending of the slave trade and how the region adapted to the international economy that emerged during the nineteenth century.