Étude critique — Review Essay

The Economics of the Transatlantic Slave Trade:
A Review

Julian Gwyn*

I own I am shock'd at the purchase of slaves,
And fear those who buy them and sell them are knaves.
What I hear of their hardships, their tortures, and groans
Is almost enough to draw pity from stones.
I pity them greatly, but must be mum
For how can we do without sugar and rum?
Especially sugar, so needful we see.
What? give up desserts, our coffee, and tea?
(William Cowper, Pity for Poor Africans, 1788)

I

Once every five years, the Canadian Historical Association awards its most prestigious prize, the Garneau medal, for the best book written by an historian in Canada in the interval. In 1990, the committee's choice for honourable mention was a remarkable book by David Eltis, *Economic Growth and the Ending of the Transatlantic Slave Trade* (Oxford: Oxford University Press, 1987). The book has also won the 1990 Trevor Reese Memorial Prize from the Institute of Commonwealth Studies at the University of London. With its focus on imperial British economic history after 1780, its scope was much broader as it dealt with the economics of slavery throughout the Atlantic world. Its strength lay in the breadth and richness of the context in which Eltis placed his subject. Tightly argued with a remarkable range of evidence, both quantitative and qualitative, it now stands as the most authoritative study of its kind yet published. To overturn its central thesis will require an equally formidable array of argument and evidence. The book did not spring

---

* Julian Gwyn is professor of history at the University of Ottawa.
  1. Among other sources, Eltis used six large data sets (399-401) partly created by himself, some shared with him by others. Two of these are available in Ottawa's National Archives, namely a 2,313 slave ship voyage from an 1845 parliamentary paper and a age-sex data set based on 114,225 slaves in 435 slave ship cargoes.
  2. It was promptly reviewed in both the New York Review of Books and the Times Literary Supplement. Curiously, reviews have yet to appear in either Journal of African History or Abolition and Slavery, both important periodicals.

unheralded from the soil of the Ottawa valley, where for years, the author, who now is in the Department of History at Queen’s University in Kingston, taught community college students the mysteries of modern economics. Dr Eltis, through his many earlier publications in leading historical journals, had already carved for himself an enviable scholarly reputation. The purpose of this review essay is not only to examine this important book, but to introduce its conclusions to a wider audience.

II

We should perhaps begin with a few bald figures about the slave trade. Between 1781 and 1867, some 4,486,700 slaves — about 40 percent of the estimated overall number of slaves involved in the Atlantic slave trade — were imported from Africa into the Americas. This was an average of 51,600 every year, from a high of 81,400 a year in the 1780s to 77,000 in the 1790s, 60,900


4. The first satisfactory attempt to estimate the magnitude of the slave trade was Philip Curtin, *The Atlantic Slave Trade. A Census* (Madison, 1969). Since its publication, much refinement of his estimates has taken place.
in 1801-1810, 53,400 in 1811-1820, 59,500 in the 1820s, 55,200 in the 1830s, 43,300 in the 1840s, 14,100 in the 1850s, and to less than 3,800 a year from 1861.\(^5\)

In Britain, industrialization and slave abolition occurred simultaneously, by which time the exploitation of African labour had become “the foundation stone of the British Atlantic economy” (4). Freeing some 750,000 of their own slaves in the 1830s and compensating their owners with £20 millions from the pockets of British taxpayers and the revenues of customs duties, they put pressure on the rest of the world to follow their lead. What is controversial is the explanation of the timing of abolition. The modern debate began with Eric Williams’ *Capitalism and Slavery* (Chapel Hill, 1944), which followed the work of Ragatz\(^6\) in believing that the slave system was abandoned when it was no longer profitable for the British. The American war of 1775-1783 had greatly damaged the Atlantic staples trade, while production in the British Caribbean was itself suffering from increased competition from the foreign West Indies and from soil exhaustion. This occurred, Williams had argued, just as the greatly expanded British industrial capacity sought export markets far richer than those the Caribbean could provide. This interpretation has had a powerful resonance among Third World scholars, including such West Indian historians as Hilary Beckles\(^7\) and Selwyn H.H. Carrington.\(^8\)

Opinion in the last fifteen years has substantially modified the Williams’ thesis,\(^9\) the assault being led initially by Seymour Drescher’s *Econocide: British Slavery in the Era of Abolition* (Pittsburg, 1977), which concluded that abolition resulted from profound societal changes rather than purely economic causes.\(^10\) He demonstrated that the prospects of the British slave colonies were very bright in 1807, at the moment Parliament ended the slave trade.

---

Reviewers of the book were generally, if not universally, impressed with this new thesis. In 1984, an entire international conference at Bellagio, in Italy, devoted its proceedings to a thorough analysis and critique of Williams' imaginative thesis. However inadequate, the Williams' thesis is now considered by many, it has more recently been a powerful instrument in stimulating outstandingly inventive research, none better than that by Eltis.

In an elegant and authoritative argument with an adroit marshalling of evidence, cleverly worked up from a remarkably rich body of sources, Eltis stands much of Williams' conclusion on its head. The British slave system was far from being in decline, as Williams had believed. The British Caribbean retained economic vitality well into the nineteenth century, whether the British colonies are studied in their own relative terms or in relation to the aggregate British economy. With the colonial conquests made during the long wars with revolutionary and Napoleonic France, and from the British navy patrolling the major shipping routes, the United Kingdom was in an even stronger economic position than she had been before 1792. For instance, the unoccupied arable acreage of Demerara (British Guiana) and Trinidad were greater than all the arable lands then devoted to sugar. To develop them, an adequate labour force was needed; and this, African slaves could have provided. With Britain, by 1810, controlling regions which produced 60 percent of the world's sugar and 50 percent of the coffee, her position would have been unassailable. Yet by the early 1840s, Cuba alone had overtaken the British Caribbean in sugar production and was followed shortly thereafter by Brazil. Out of economic self-interest the UK, instead of abolishing the slave trade and later slavery, ought to have encouraged its expansion. In this way, it would have served the economic goals of parliamentarians and the material desires both of British manufacturers and wage earners. The Atlantic slave trade, far from dying of natural economic causes, was killed by the decisions of several governments when its economic "significance to the Americas and to a lesser extent to Europe was greater than at any point in its history" (15). In the absence of a suppression movement, the economics of the Atlantic world would have ensured that slaves would have continued the norm for most of the Americas in much of the nineteenth century. Only the limits of Africa's capacity to maintain supply would have circumscribed the trade. In fact, as the anti-slave laws made inter-colonial slave traffic illegal, the economic development of Guiana and Trinidad were demonstrably hurt. In the 1820s, as there was output per slave 300 percent to 400 percent higher than in Barbados, Jamaica and Dominica, there would have been a migration to these places, just as there was a massive internal slave migration in the USA after 1810 from the region of the old colonial South to the new South from Alabama to Texas and Mississippi.

Eltis reckons that sugar output from the British Caribbean, under such conditions, would have been 24 percent higher in 1824–1833 than actually occurred. Cuba and the other Spanish sugar islands simply could not have risen to such prominence in the face of unfettered British competition. The prohibition of slave imports pushed up labour costs in the British colonies, thus gratuitously giving economic advantages to France, Portugal and Spain, as they did not follow the British lead in abolition. The economic consequence of the aggressive anti-slavery policy thus destroyed the relative world position of the British plantation sector and was initially the most important factor for its absolute decline. A more important factor was the abolition of slavery itself, when fully implemented in 1838 at the end of the apprenticeship system which followed it. As the British colonies lost, so the slave-owning economies in America advanced. British and empire importers themselves shifted their sugar purchases increasingly toward foreign suppliers of sugar. In absolute terms, the UK took more sugar, coffee and cotton from slave economies than she had in 1820. Generally, the prices for all three commodities declined in the first half of the nineteenth century, yet worldwide demand so increased, that production expanded. The price of slaves increased as did output per slave, partly from new plant varieties and partly from technological improvements. Slaves “gravitated toward the economic activity in which they could be most profitably employed” (204): cotton in the USA, sugar in the Caribbean and coffee in Brazil. In the UK, “prices of foodstuffs were increased, employment was lowered and domestic social tensions were exacerbated by reduced exploitation of Africans in the New World” (12). Nevertheless, the basic truth was that at the very time the British ability to employ coerced labour in the transatlantic world was growing, there was less and less room in their own system of beliefs for the concept of coerced labour. The process of economic growth, as experienced by the British, fed both developments (25).

The results of abolition were remarkable. In 1783, Britain and France had established the most successful trading blocs within the Atlantic economy, while those of the Iberian peninsula were the least developed, with the USA somewhere in between. Yet by 1850, the three dominant regions were now Cuba, southern Brazil and the US South. All had been of marginal importance earlier, owing to the relative unimportance before 1760 of their products, sugar, coffee and cotton. Much of the explanation of their rise has to do with the British abolition movement and their abilities to profit from Britain’s decision to opt out of slavery. The demise of Haiti as a great sugar producer was also a factor.

The British, of course, found ways to maintain an interest in the slave economies. Scholars of the French slave trade call it the ‘disguised’ British slave trade.¹² British shippers had to abandon the trade, though some initially continued illegally to supply Cuba and Brazil. Some British subjects took up

¹² Lawrence C. Jennings, French Reactions to British Slave Emancipation (Baton Rouge, 1988).
foreign residence to continue the slave trade. By far, the most common practice was to provide whatever commodities were needed to outfit the slave expeditions of foreigners, or to dispatch a wholly or partially owned expedition under a falsely assumed Spanish or Portuguese flag. Ships carpenters, in such cases, went to sea to transform the cargo vessel into slave decks, when the ships left for the African coast, usually from US ports via Cuba. British trading infrastructure on the West African coast was vital to the whole operation. British merchants continued after 1807 and 1833 down to the 1860s to accept bills drawn on foreign slave traders, something that Parliament had never made illegal. Thus, the supply of British exports was matched by the availability of British credit. In this way, British capitalists and industrialists remained important to the trade long after its abolition. As British penetration of the Brazilian economy expanded, and a market in Europe and the USA for coffee developed, the need in Rio for more slaves acquired a great momentum, which in turn stimulated demand for British goods and financial services on the African coast. In this way, Eltis believes, “the British...became even more deeply involved in the traffic” (60) than before abolition. At one point, he cites the case in 1859 of a crew of Spanish and Portuguese seamen who travelled 250 miles by train from London to Hartlepool to board a newly built screw steamer, which they sailed first to Cadiz, then to West Africa, where they acquired a cargo of slaves, disembarked it in Cuba. For the next four years, they were active in the trade. Along with other modern vessels owned by a Cuban-based company, the owners organized themselves on joint-stock principles with shares trading in Havana, and with agents from New York City to Southeast Africa. Their business was aided by fast British owned West African mail steamer service. The slave owners used the latest and most sophisticated British-made machinery in their sugar mill and sold their product in countries, including Great Britain, at the van of economic development. Eltis remarks:

It is the modernity of this operation that constitutes its most striking feature. The world’s most advanced industrialized country built the ship, provided the machinery for processing the sugar on which the slaves were employed and bought much of the end product. The slave-importing company was perhaps indistinguishable from its nonslaving counterparts carrying on business in Britain (145).

To destroy the slave trade, Eltis argued, the consuming countries could have taxed tropical produce to death — as tobacco is currently being treated in the 1980s and 1990s in Canada — thereby discouraging their production and removing the incentive for slaves. It could have raised the price of slaves in Africa to the point that it was no longer seen worthwhile to trade in slaves with African dealers. Only a degree of international cooperation, impossible in the world of 1810-1820, could have produced the first, while the second implied a degree of control over West Africa which European powers certainly had failed to achieve by 1850. The resort to naval power, to interrupt enough of the trade to drive up the freighting costs in order to increase the spread paid to African suppliers and the American plantation owner, became the British policy. High prices, it was argued, would kill the demand for slaves. The policy
largely failed, for the navy freed only 152,000 slaves between 1808 and 1867, at a cost of at least L13 millions to keep the squadron at sea, when some 2,738,000 Africans were exported unwillingly to the Americas. By 1850, the Admiralty was thoroughly discouraged, as the slave trade was obviously still prospering.

Parallel to the use of naval power, the British opted for a series of treaties. Treaties with one set of states granted mutual right of search over the shipping of the contracting parties. Courts of Mixed Commission, which eventually ringed the Atlantic from New York to Capetown with 80 percent of the cases heard in Sierra Leone. Another type of treaty concluded with other states also involved the mutual right of search, but the accused were then handed over to the respective domestic courts. A further series of treaties were concluded with African chiefs, often under coercion. Such treaties, almost invariably repudiated as soon as the British pressure was removed, were almost wholly ineffective.

As it turned out, prices for slaves in Africa tended to decline throughout much of the years of suppression after 1807; and in time became a smaller and smaller proportion of the price fetched in the Americas. American prices went through distinct cycles, with those in 1826-1830, 1836-1840, 1866-1870 usually twice the level of 1815-1820. Highest prices on average were achieved in 1846-1850, when they were 250 percent above the 1815-1820 levels.

Slave trade petered out in regions of West Africa, not because of these slave price movements, but as a result of local conditions. In the Upper Guinea region, Eltis notes, the rapid rise of slave cultivated peanut exports, begun in the late-1830s, which quickly outstripped the value of slave exports. Part of the slave trade there was of re-enslaved liberated Africans. Others newly-enslaved were taken from the minor river valleys between Cape Mount and Sierra Leone. Slaves for the Americas were still being taken from the Gold Coast as late as 1839. In the Bight of Benin, Lagos was the principal embarkation port and with Ouidah exported perhaps 60 percent of slaves from this coastal region. Here, the collapse of the Oyo empire, followed by internecine Yoruba wars, fed the slave market down the rivers to the Lagos lagoon. Later, British naval attacks on Lagos left Ouidah supreme in the region. The development of palm oil export trade to Britain after 1840 did not replace the slave trade, though it greatly reduced its importance. Rather, the two trades "functioned comfortably together" (170). By the mid-1850s, the slave trade was not worth more than L75,000 annually for all the region, when commodity exports exceeded L1 million. In the the Bight of Biafra, many river estuaries allowed for easy access to the sea. The long dominance of the British prevented others from easily replacing them, once they withdrew from the trade. The palm oil trade was also important here, although the suppression of the slave trade did not unleash renewed growth in this activity. Both the slave

trade and commodity trade taken together "formed such a small percentage of total African economic activity" (183), they could expand without interfering with each other. Yet it is significant that as the slave trade declined, commodity trade expanded. One of Eltis' major themes is that "sustained economic growth in Britain was responsible both for the ending of the slave trade and eventually slavery and for the extraordinary growth in long-distance commodity trade" (221-222).

If the slave trade dominated the economic relations between Europe and Africa in the eighteenth century, the trade was not central to either continent, whether measured by population loss or income generated. Impact in Africa was at most local. In the nineteenth century, the situation changed because of industrialization. In West Africa, total annual non-slave exports rose in value from £3.5 million in the early 1850s to £15 million fifty years later, much of this generated by slave labour. As the cost of manufactures fell, the terms of trade turned in favour of African exports. People were now kept at work in Africa, but as slaves. Paul E. Lovejoy's *Transformations in Slavery: A History of Slavery in Africa* (Cambridge, 1983) argues that the external demand for slaves transformed African slavery, from marginal dependency, at least in West Africa, to a fully developed productive system. As the transatlantic slave trade was important in making slaves the principal export item for a long time, it made the African control of the trade a matter of great political importance. Little adjustment was needed, he argues, by the West African elites to direct slaves into the production of African export commodities. At the least, Lovejoy establishes the "very wide incidence of slavery as a productive system, particularly after suppression of the traffic" (225).

Eltis, without denying Lovejoy's 'transformation thesis', with considerable subtlety modifies and weakens it. He maintains that Lovejoy underestimates the importance of economic developments within Africa itself. The growth of Islam created a spreading slave frontier. Asante, for instance, from declining contact with the Atlantic slave trade after 1800, increased use of slaves within its own economy as it expanded trade with the northwards. Another important series of events, unassociated with the Atlantic slave trade, was the breakdown of the Oyo empire. Only in Dahomey can "a clear causal relationship be established between the transatlantic slave market and the extent and nature of domestic holdings of slaves" (225). He secondly points out that the West African commodity export market developed long before the transatlantic slave trade ended there. The slave trade did not have a major influence on the type of labour used in this new commodity trade. Relative African population densities and availability of arable land probably had far more importance than the Atlantic. The difference between the slave production of yams, maize and kola nuts for the internal market and the peanuts and

---


palm oil for the external market was of small consequence. Eltis believes it was the industrial expansion of the North Atlantic economy which was crucial in explaining only the later nineteenth-century extension of slavery to production for these external markets. It is only certain that any delay in the suppression of the transatlantic slave trade would have delayed the general expansion of slave produced commodities in Africa itself.

Additionally, Eltis reminds us that African commodity exports were the major crops of peanuts, palm kernels and oil, and Senegal gum. Minor products included cloves, coconuts, wax, dyes and timber. After 1840, peanut cultivation spread rapidly through the riverine and coastal areas from the Senegal river to Sierra Leone. By the 1860s, some 40,000 tons were exported valued at $1.25 million. In Senegal and Gambia, it was cultivated by small farmers and with wage labour. Further South, it was cultivated by slave labour, alongside free labour. Rice, ginger and coffee were also cultivated by slaves. Senegal gum was not cultivated by slaves from along the Senegal River, an area little influenced by the Atlantic slave trade since 1800. By the 1850s, palm oil accounted for 80 percent of the export values from the bights of Benin and Biafra and worth L4 million annually, in excess of any sum ever generated by the slave trade. In the oil rivers, small scale producers predominated, elsewhere there were large plantations employing hundreds of slaves. It was a mixed labour history. Yet even at its height, the per capita involvement of Africans in the export market remained very weak. Until modern systems of transports were established — and this had to await the arrival of the Europeans —, only a very small area of Africa could be drawn into export commodity production, while no region, however fertile, could become the ‘breadbasket’ for a significant area of the continent of Africa. Local domestic markets must have been the principal focus of the African economy, even the wealthiest part of it. Obviously, the African economic transformation debate is far from being decided, and only with more detailed research will it advance. Nevertheless, Eltis’ work is the beginning of a useful corrective to earlier views.

For British abolitionists, the development of Africa’s commodity export trade before 1870 was a sharp disappointment. They realized that much of the increase came not from free, but from slave labour. It seemed as bad a development as had occurred earlier in the British West Indies. There, British observers were mystified by the repeated failure of now freed Africans to ‘work’ in a European or American fashion. A system of personal taxation was developed to force participation in the free labour market, a system incidentally which had earlier sparked rebellion in Ceylon, but which was widely employed in West Africa once the British colonial regimes became established there.

This failure of Africans or of Afro-Caribbeans to fit into a British mould is an important theme of much recent writing on the Atlantic slave trade. Anti-slavery enthusiasts, rejecting plantation owners’ economic experience,
believed that "coerced labour was necessarily uneconomic" (17). Parliamentarians, who were won over to the anti-slavery ranks, intended to establish the conditions for a free-wage relationship between master and former slave, by cutting off supplies of coerced labour and by making coercion illegal. A sober, industrious labour force, prosperous from its own efforts, would then emerge. The inculcation of British consumer habits would thus lead not only to increased prosperity, but to the emergence of the English version of Christian civilization. They expected the labour supply to rise along with output per worker and export volumes with the end of slavery. Severe new vagrancy laws in the Caribbean colonies and the establishment of a colonial police force were meant to give additional teeth to this policy. Blacks would work in sugar or they and their families would starve. Eltis details the error of this economic policy, while explaining its origin. The evidence was that for certain types of work, such as sugar production, could never attract free labour unless no other work was available. This principal applies as much in the 1990s, for instance in the Dominican Republic where sugar is harvested only because Haitian workers live virtually as slaves, as in the 1820s and 1830s. No free labour, for instance, had been attracted to Trinidad, with its huge potential for sugar, in the quarter century after 1807. After 1838, what so many ex-slaves chose instead to do was altogether to avoid, where possible, the unpleasant working conditions and, instead, earn their livings from cultivating small garden plots or opening small shops. This in turn resulted in a catastrophic decline in sugar production, which, with the failure to find alternative economic outlets, meant the general impoverishment of Blacks and capital loss for estate owners. The story is dismal. In St. Vincent’s, Grenada and Tobago, sugar production never again reached pre-emancipation levels. In Jamaica, sugar exports did not regain their pre-abolition levels until 1934, Guiana until 1861, St. Lucia until 1858, St. Kitts until 1839, Montserrat only in 1866 to 1896, Nevis only in 1871 to 1882, and Dominica only between 1842 and 1889.16

The failure of freed Blacks to play the role they had been assigned was invariably excused by abolitionists who, instead, blamed the evident decline of the British Caribbean on annual hurricanes, planter recalcitrance and, in the 1840s, the equalization of the sugar duties which allowed slave-produced sugar to compete in the UK market and the empire, generally, with free labour sugar. The British and Foreign Anti-Slavery Society, which never lost interest in the ex-slave, pressed unsuccessfully both for the maintenance of protective sugar duties, and for the severe restriction on indentured migrants from India into the work place formerly monopolized by African slaves. On each crucial point, they utterly failed.

Suppression ultimately succeeded partly from economic causes. It ended only when abolition for utilitarian and moral reasons were embraced by

16. J.R. Ward, Poverty and Progress in the Caribbean (London, 1985), 34-35. The British Caribbean’s average level of sugar production in 1830-1839 was regained only in 1860-1869, when its share of world output had fallen to only 10%. Ibid., 27.
Brazil. Direct British naval action in destroying Portuguese slave ships in Brazilian harbours made a huge impression throughout the country, where the British had already established numerous anti-slavery groups. Earlier, Cuba was knocked out of the trade by the fall in sugar prices in 1851-1861 and 1866-1870, as well as the victory of the union forces in the US Civil War. Earlier, the British navy, in forcing up slave prices in the Americas, had helped render Puerto Rican sugar no longer competitive with Cuban. Of importance also was the capacity of free peasant labour, there, to grow alternative export crops of tobacco and coffee. In economic terms, the end of the trade depended "on the price of slaves in the Americas falling below the cost of enslaving, transporting and distributing Africans on the west side of the Atlantic" (208). This never actually occurred. Rather, Eltis concludes,

the spread of the powerful bourgeois idea of the virtues of free labour, backed up as it was by the economic development of the North Atlantic fringe, was the key factor in the suppression process. Neither British naval intervention nor structural changes in the Brazilian and Cuban economies were as important in the ending of the slave trade and slavery (222).

Net migration of free labour across the Atlantic from Europe, heralded by the Irish famine exodus of the 1840s, ultimately would have ended labour shortages in most of the Americas in the second half of the nineteenth century. Without the Irish famine or the later California gold rush, which so artificially stimulated the movements of European immigrants, suppression of the Atlantic slave trade might have been delayed to the 1890s.

III

Eltis believes, as he argues in his final chapter, that in Africa, both colonialism and racism were by-products of slavery and its abolition. Suppression of slavery led the British into much more extensive contact with the African continent. As a result in tropical Africa, as one historian phrased it, Britain "annexed an empire of almost supreme irrelevance to the expanding economy", only to abandon it when its value had reached unprecedented levels. In the seventy years after 1880, the British, while not actually imposing slavery on this new African empire, nevertheless in the spirit of the new imperialism were prepared to pay free African labour as near to nothing as mattered. If this meant that African exports could sell in European markets more cheaply than if African labour had received higher wages, it also meant that, owing to continued African impoverishment, African capacity to absorb European goods was unduly limited. Before 1939, stimulus in demand for such British goods in Africa came rather from the capital outlays the new colonialism implied and from newly arrived European settlers and their descendants, emboldened with an unswerving sense of their own superiority. If the system of beliefs, to which Eltis makes reference, had eventually encompassed the idea of slave emancipation and in Britain, by the 1870s, of

17. R. Robinson, "Imperial Theory and the Question of Imperialism after Empire", The Journal of Imperial and Commonwealth History, XII (January 1984), 43.
the franchise for skilled workers in the British isles and a substantial degree of political independence for former colonies of white settlement, it took another three generations before this system of beliefs confronted the depths of its own racism. Until then, Blacks in the British empire might be free, but they were not equal. The Blacks of Africa as with those in the Caribbean, solely because of their race, were thus kept in a state of utter political dependence, with the right to participate in politics in however limited a degree being restricted to the few white settlers in the one and the tiny planter class in the other.