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COCOA MARKETING IN COLONIAL GHANA: CAPITALIST ENTERPRISE AND THE EMERGENCE OF A RURAL AFRICAN BOURGEOISIE

By

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Increasingly in recent years the attention of social scientists has turned toward the study of rural Africa. A number of reasons can be cited, among them a growing appreciation for the complex nature of social structures found in contemporary rural Africa, a complexity too often denied by earlier scholars. Recent research findings, from different parts of the continent, point to emerging and/or well-formed class structures which involve concentration of land, production and wealth in the hands of a few, control, often by the same few, of the system of exchange and distribution, and close linkages between rural upper classes and the state. Another equally important reason for the increasing interest in rural Africa reflects the growing realization that underdevelopment, as an historical process, most often traces its origins to the structure of the rural colonial economy. A great deal more research remains to be done on contemporary social formations and on their historical development. In addition, Africanist social scientists must work on theories that will help illuminate patterns of change in rural Africa and relate these to fundamentally similar patterns of rural change in other underdeveloped regions of the world.

This paper is concerned with an examination of the development of the social structure of rural southern Ghana as the indigenous people of that region were incorporated, as a periphery, into the expanding world-wide economic system during the late-19th and early-20th centuries. The export crop cocoa was the basis for that incorporation. Between 1890 and 1918, Ghana's cocoa exports increased from 90 pounds to more than 100,000 tons. This phenomenal increase in production reflected the fundamental changes that were taking place in the social structure of rural southern Ghana at the time. Several new and closely interrelated groups were clearly emerging, by the early 20th century, from the predominantly subsistence-oriented village economy: (1) a small but distinct stratum of large-scale "capitalist" cocoa producers and traders who reinvested farming and trading profits into expanding their business enterprises; (2) a stratum of medium- and small-scale producers who combined subsistence with cash crop production and who sold their
crops and often mortgaged their farms to the upper stratum of capitalist producers-traders; (3) wage and share-crop farm laborers, most of whom were employed by the wealthy producer-trader stratum and most of whom migrated from northern Ghana and adjacent French territories.

Our primary focus will be on the capitalist producers-traders because they were the most dynamic of all the new social groups and because they were responsible for the rapid increases in cocoa production. In many ways, as we shall see, they can be viewed as an emerging African bourgeoisie. Historical "descendents" of pre-capitalist slave, oil palm and rubber middlemen traders, this stratum played the role of agents of capitalist penetration of rural Ghana. Their role in the commercialization of land and agriculture was not unlike the role played by the yeoman farmers of 16th century England. The nexus between producing and trading in cocoa was the key to their emergence and to their domination of all other rural social groups. But this nexus was also the key to their eventual subordination by the colonial state. For, in buying up the crops of smaller producers and selling these crops to European merchants on the coast, these producers-traders at once appropriated a surplus from other rural producers and cut into the profits of European capital in the colony. And, their attempts to bypass the European firms and export directly to Europe and North America only exacerbated the tensions between local and foreign capital and the colonial state. These tensions led to open conflict (the cocoa holdups of the 1920s and 1930s, for example) and ultimately to state intervention in the cocoa economy in 1939. This state intervention, on the side of European capital (coming in the form of statutorily fixed producer prices and a statutory monopoly of cocoa exports), had the effect of depriving producers-traders of important sources of capital. The overall effect was to slow down (and, indeed, alter) the processes of class formation in rural southern Ghana and facilitate the extraction of capital from the local economy.

This paper will be divided into four parts. The first part will examine society and economy in pre-capitalist Ghana. The second part will look closely at 19th century Ghana, as this period of the ending of the slave trade and the early collection and cultivation of oil palm and rubber was critical to preparing the way for later changes. Part three will look at the way in which cocoa and the extensive cultivation of it helped to consolidate and build upon changes that had begun to take place in preceding decades. Part four looks briefly at Ghana as a "peripherally capitalist" area in the early-20th century and the implications this had for the relationship between indigenous capital, external capital and the colonial state.
Pre-capitalist Social Formations of Southern Ghana

Any examination of the impact of incorporation on the social structures of southern Ghana must begin with an examination of the pre-capitalist formations of the area. This is so because any new social forms that emerged were the product of the interaction of pre-capitalist society and the demands of an expanding Euro-centered industrial capitalism. What follows is a brief outline of these formations and their relevance to subsequent social developments in late-19th and early-20th century Ghana.

A number of attempts have been made to define an "African" mode of production. For our purposes, the most useful of these are Catherine Coquery-Vidrovitch's work on Africa in general and Stephen Hymer's work on Ghana in particular.

To begin with, Coquery-Vidrovitch points out that the notion of mode of production is really a theoretical notion or model, no society ever fitting completely in one mode or another. Rather, the organization of society "reflects a complex arrangement of production, which is affected by diverse factors originating in the history of a particular group and which reveals the sometimes contradictory influences that it underwent and the original institutions that developed from it." At the most, we can define a "dominant" mode of production within a given economic ensemble which can be characterized also by aspects of another mode of production. Coquery-Vidrovitch identifies in the forest belt of West Africa (of which southern Ghana is a part) a dominant subsistence village economy or "lineage mode of production" that coexisted for the most part with long-distance trade. These are useful points on which to focus and from which to look more specifically at the pre-capitalist social formations of southern Ghana.

Subsistence Village Economy

In a subsistence village economy, each family or household constituted, for the most part, a self-sufficient economic unit, producing and consuming its own food, housing, clothing and tools. Although there were a few persons who specialized in religious, political or artisan activities, no one engaged exclusively in these activities. And, as Hymer points out, even the chief in Ghana cultivated his own food crops. Land, the most important means of production, was communally held, i.e., the chief or family head held it in trust for the community as a whole and allocated it to village members for individual use as they needed it. Although the fruits of his labor belonged to the individual occupier or user of the land, the land was viewed as belonging to the community as a whole. It was a symbol...
of the continuity of the clan. Individual village members seeking land for cultivation normally paid "consideration money" or offered drinks and a sheep to the chief in acknowledgement of his services. According to Hymer, "In its ideal form, this system produces an economy in which members are united by blood, language, and customs. Thus, an orderly production is ensured by reciprocity, redistribution, and householding, rather than the principles of labour for remuneration, minimum effort, and the separation of economic institutions from political and social ones."9

It is important to stress, however, that inequalities did exist in these societies and that surpluses were exchanged between village members and neighboring villages. Women and younger men bore a disproportionate share of the work while older persons consumed a disproportionate share of what was produced. The chief normally had certain rights over his subjects, including demands for non-commodity tribute, labor for public works and military service. Furthermore, the chief was most often chosen from one family or clan. And, depending upon the size of the area he ruled over and its location, the chief might have monopolized exchange on a regional or broader level and derived from local or long-distance trade considerable wealth. This was the case particularly for the large kingdoms and empires, of which more will be said shortly.

There existed in this pre-capitalist society a limited amount of exchange of food products and locally manufactured products. Some villages specialized in dried fish, pottery, cloth, baskets, leathergoods and jewelry. However, this exchange, particularly when it was between villages, served social and political rather than economic functions.10 Such markets provided opportunities for the exchange of ideas and information and helped cement relationships between peoples and villages.

Long-distance Trade

It has been estimated that present-day Ghana has been engaged in long-distance trade for nearly 1,000 years.11 As noted earlier, the rulers of great kingdoms and empires of Sub-Saharan Africa usually based their power on the control of trade and trade routes. This was as true for ancient Ghana, Mali and Songhai (whose rulers based their power on the Trans-Saharan trade) as it was for the later expansive and centralizing 18th and 19th century states of Dahomey, Congo, Lunda, Buganda and Ashanti (whose rulers based their power on the trade between the hinterland and coastal European merchants). The corollary of this trade-based system was that when the state lost control of trade, it experienced decline in power and loss of control of outerlying provinces. Ashanti, in southern Ghana, is a good
example. By the beginning of the 19th century, Ashanti had emerged in control of the kola, gold and slave trade and trade routes between the interior and the coast. Its expansion outwards, from an original area encompassing a thirty-mile radius around Kumasi, to coincide with nearly all of present-day Ghana, was clearly related to its desire to control trade between the interior and the coast. The Fanti, in particular, posed an obstacle to an Ashanti monopoly of trade. The latter found itself blocked from direct access to the coast by Fanti middlemen traders. This was disadvantageous for Ashanti rulers economically (in terms of maximum surplus extracted from control over gold and slaves) and militarily (in terms of control over arms and ammunition imported via the coast). The Fanti were finally subdued in the 1820s but only for a brief period. By this time, the British had developed an interest in bringing the entire area of southern Ghana under its control and made alliances with the Fanti. Britain wanted to end the slave trade and open the hinterland up to the peaceful and "legitimate" exchange of local raw products for manufactured goods. As a result of the series of wars fought between the British and Ashanti between the 1820s and 1870s, Ashanti steadily lost control over hinterland trade and declined in power. It lost control of its conquered outerlying provinces (Kwahu, Akwamu, Akim, Akwapim, Fanti, etc.) and retreated to its earlier boundaries surrounding Kumasi.

At the same time, the peoples nearer the coast (the Fanti, Akwapim, Krobo and others) were freer to engage in new economic activities with the growing numbers of European merchants on the coast. Many Fanti, Akwapim, Krobo and other coastal peoples, who had been important as middlemen in the slave trade, began to set themselves up as powerful and wealthy middlemen in the so-called legitimate trade of oil palm, rubber and, eventually, cocoa.

One question that has occupied the attention of a number of observers is exactly how long-distance trade and the village subsistence economy were able to coexist. As Coquery-Vidrovitch sees it, "The coming together, within the same group, of contradictory elements (tribal structure and a lineage system based on subsistence, as opposed to a territorial organization with centralizing tendencies and a sometimes preponderant emphasis on long-distance trade) could only generate disequilibrium and conflict." On the one hand, trade items penetrated the local market: via an intricate distribution network, gold, ivory, slaves, monkey skins, gum copal, kola nuts, etc., went out of the hinterland and firearms, cloth, beads, spirits, metalware, etc., came in. On the other hand, the exchange of these items did not appear to disrupt the subsistence village economy; most persons continued to produce and consume the items they needed for daily living.
The conflict between the two modes of production was resolved in two complementary ways. First, long-distance trade was monopolized by one group, usually the rulers in (voluntary or involuntary) collaboration with African middlemen traders who were not indigenous to the area (e.g., Muslims, coastal Fanti, Ga, Akwapim). This meant that while local inhabitants could purchase (through bartering gold dust or cowries) imported items in the local market, it was not they but their rulers who reaped a surplus from long-distance trade. This monopoly delayed the "enlargement" of the economic system upon which ruling groups based their power. Second, as long as tribute was paid by subjects and other peoples incorporated by expansion, the source of slaves was elsewhere. The Ashanti raided non-Akan villages to the north for slaves rather than the incorporated Akan (though non-Ashanti) villages to the south. In this way, Ashanti (and most Akan) villages did not suffer disruption of their daily life from slave raiding and trading.

The above explanation is useful for understanding how the village subsistence economy and long-distance trade were able to coexist, but it is by no means complete. These two modes of production coexisted not so much because the Asantehene and external allies monopolized exchange but precisely because that exchange itself was pre-capitalist and non-penetrative in nature. Although Africa had been trading with an emerging capitalist Western Europe from the 16th century onward, it was not until the period following the Industrial Revolution that trade began to alter fundamentally the characteristics of the African subsistence economy. Between the 16th and late-18th centuries, Europe's mercantile capitalist period, Africa contributed slaves and gold (primitive accumulation) in the manner described above. After the structural changes that took place in the British economy, in particular, during the 18th century (changes that involved a transition from mercantile to industrial capitalism), a number of changes followed in the economy (and society) of those areas of West Africa where Britain had some influence in the 19th century. First, Britain abolished the slave trade in 1807 and slavery in 1834 in all her possessions (e.g., the West Indies) and vigorously suppressed the trade elsewhere, including along the West African coast. This caused the decline of a number of inland states which had based their power on that trade. One of these was Ashanti. Second, Britain (or, rather, British merchants, missionaries and Crown Colony officials) in turn, attempted to encourage the trade in "legitimate" items: oil palm, rubber and other local products during the first three-quarters of the 19th century and cocoa during the last quarter. As David Kimble sees it,

The task of the abolitionists had been made easier — though the magnitude of their
achievement is not lessened — by the changes then taking place in the British economy. Growing industrialization, especially in the cotton industry, was providing an alternative outlet for the capital accumulated in the slave trade, and as it happened both were centered in Lancashire. West Africa came increasingly to be regarded as an important market for British manufacturers; and though it could no longer supply slaves, a substitute export was developed in palm oil. Gradually the old triangular trade was replaced by a two-way steamship traffic, manufactured goods flowing in one direction and primary products and raw materials in the other...14

It was hoped that a small African peasantry would emerge on the land, providing Britain with industrial crops and markets for her manufactured goods. In this way, even the peasant in the most remote village would be incorporated into a world-wide economic system of production for exchange.

Third, there was at the end of the century a transition from informal and limited colonization along the coast to formal and full colonization extending into the interior and encompassing present-day Ghana, Nigeria, Sierra Leone and the Gambia. As Kimble notes, formal colonization of Africa provided the "political framework for more thorough penetration. It was not until the last quarter of the nineteenth century that economic change began to acquire the momentum of a revolution, with the consolidation of imperial rule."15

Thus, it was not until an industrializing Britain sought secure and steady supplies of raw materials to feed its factories and secure outlets for an increasing volume and variety of manufactured goods that "long-distance trade" began to have a disintegrating effect and began to restructure the village subsistence economy. Within a few decades of the formal colonization of Ghana and of the introduction and cultivation on a large scale of cocoa (both occurring during the last quarter of the 19th century), there were noticeable structural changes in the economy and society of Ghana.16 First, there was a noticeable reorientation away from subsistence crops to cocoa and other export crops on a wide basis, so much that there was a noticeable decline in the production of food crops (rice, for example) and an increase in the importation of food.17 Secondly, cash became increasingly important for the reproduction of the subsistence of a growing number of rural dwellers. Locally made cloth and utensils were replaced by imported clothing and hardware.18 As time went on,
rural peoples of southern Ghana found they had to produce for the market in order to survive.

In short, Ghana was being incorporated, albeit peripherally, into an expanding world-wide economic system whose center was Europe. Production and consumption were being geared toward meeting outside demands. Underlying these changes in the orientation of the village economy, however, were fundamental changes in the social structure. But these came about gradually and were built upon pre-capitalist forms. It is to these changes, in the 19th-century oil palm and rubber export economy, that we now turn.

Oil Palm and Rubber in the Transition from Subsistence to Export Crop Production in 19th Century Ghana

In southern Ghana, the transition from the cultivation of subsistence crops to the cultivation of cocoa expressly for export took place over a period of time (several decades) and through a series of what might be called "transitional" crops. These crops, oil palm and rubber, for the most part, occurred naturally in the forest areas. At first gathered or collected in their wild state, they eventually came to be cultivated quite purposefully on permanent plots. A number of external and internal factors influenced this particular transition from collection to deliberate cultivation: the suppression of the slave trade and the search by certain indigenous groups (most notably, former middlemen slave traders) for new sources of wealth; the extension of credit, in the form of cash and goods, to middlemen traders by European merchants on the coast in the latter's attempt to penetrate interior markets and stimulate exchange; relatively high demand and high prices for the raw produce in Europe.

The district commissioner at Akuse (in the eastern region) made note of this transition and also of the groups taking active part in it:

... even prior to the year 1886 the Krobo and the Akwapims have taken largely to forming plantations of palm trees ... and even to date the people ... are still cutting down fresh forests in several other places for new palm tree plantations.20

As we shall see, it is of no little significance that the Krobo and Akwapim peoples should have been singled out as participating in this transition. If we look closely at the conjunction of a flexible land tenure system and participation by many of these coastal and near-coastal peoples as middlemen in the slave trade, we can see how and why these peoples were more predisposed to
taking up cultivation for export than were most other peoples in southern Ghana at this early date.

There is some evidence which points to long-standing provisions within the customary land tenure laws of southern Ghana for limited outright sale of land. There is also evidence which points to the commercialization of land due to "general economic pressure" during the early- to mid-19th century.21 R.J.H. Pogucki noted that the principle of outright sale was a long-standing one among the Ga, Adangme, Ewe and Akan peoples (including the Ashanti, Akwapims, Fanti and others).22 Among the Akan, a ceremony for the transfer of land, known as "cutting the guaha" was said to be of ancient origins. This ceremony involved the pouring of libation by the vendor to the ancestors who were asked to settle elsewhere. According to Pogucki, "The vendor agreed that if he ever wished to redeem the land he would pay double the amount which he had received for it -- a native method of admitting that the transfer was an outright sale."23 The occasions upon which land might have been sold in pre-19th century Ghana were limited by strict customary provisions. However, migrant traders, political exiles and nearby clansmen in search of additional subsistence farmland were most probably the groups that took advantage of these customary provisions.

When Kimble refers to a "general economic pressure" and Polly Hill to a "pressure on the land," neither gives specific factors which they think might have created a shortage of land or which might have made land a commodity by other means in 19th century Ghana. It is possible that exhausted frontiers of certain clans or ethnic groups, during a period when boundaries between groups were becoming well defined, could have caused some population pressure on the land. It is also possible, at least for the Akwapim and Krobo, that the gradual commercialization of land was in response to attempts by certain middlemen trading groups to meet the growing external demand for palm oil. In reference to the Akwapim, for example, Hill notes that toward the latter part of the 19th century, farmers from the area found that the slopes leading up to the Akwapim ridge (slopes upon which they had farmed for centuries) were no longer adequate. These farmers began to move off the ridge westwards toward the Densu River and northwards toward the Adawso area in search of farming land. Some, she notes, planted food crops for consumption or local sale while others established oil palm plantations.24 They acquired freehold over this nearby land because this land belonged to their clansmen. As the cultivation of cocoa demanded additional land later on, these farmers pushed further afield and carried with them, it appears, an insistence upon making use of customary Akan provisions for outright sale. By this time, Akim Abuakwa chiefs (from whom so much land was purchased by the Akwapim migrant farmers) were feeling the pressure of the
money economy and were more than willing to sell land to "strangers." The political and legal disarray into which Akim Abuakwa, in particular, was thrown by extensive land sales is well known and recorded. Land became scarce for Akim peoples themselves, who came rather late to cash export crop cultivation when compared with the Akwapim and Krobo. Many a chief was "destooled" for enriching himself through the sale of community-owned land.

It is at this point that we must bring into the picture important pre-capitalist social groups, for Akan land tenure law in general (not just in Akwapim) contained provisions for outright sale. Moreover, not every Akwapim and Krobo farmer planted oil palm plantations and engaged in trading local produce for imported goods. Hitherto, only passing mention has been made of the middlemen traders who plied the forest-to-bush tracks, carrying or transporting gold, ivory, slaves, gum copal, etc. in one direction and European goods in the other. These were to be the earliest palm oil, rubber and, subsequently, cocoa producers-traders. The governor noted of their enterprise in 1893:

There is further in this Colony a vast and almost inexhaustible field for what is known as the petty-trader, semi-educated men who purchasing small quantities of dry goods and other articles saleable to the natives of the interior carry them to the inland towns and villages and either sell them or barter them for rubber, palm kernels, monkey skins, or other marketable exports and so turn over their money twice, to great advantage, as a rule, to themselves.

With experience and capital accumulated from trading, these individuals were well placed to perceive and respond to the changing nature of trade between Africa and Europe. Their response to the demand for oil palm and rubber (permanent cultivation for export and extensive land purchase) was to have repercussions throughout southern Ghana. Taking capital accumulated through trading and investing this money in land purchases and labor was to lead to the emergence of a small stratum of capitalist, often absentee, producers-traders, on the one hand, and medium- and small-scale non-trading producers and migrant laborers, on the other.

But palm oil and rubber were not to form the basis for the colonial economy of Ghana. The basis was cocoa. After 1885, the demand and price for palm oil declined, due to the discovery and growing use of mineral oil for the lubrication of machinery. Rubber replaced palm oil as an important export in the 1890s but
high rubber prices proved to be short-termed. One could say that the emerging enterprising producers-traders were "ripe" for a substitute export crop. They found it in cocoa. It is no coincidence that there was a growing supply of seeds and young plants in the colony after 1875. The controversy over who actually introduced cocoa cultivation into Ghana aside (the Basil Mission, Tetteh Quashie or Governor Sir William Branford Griffith), there is little doubt that by 1891, Basil missionaries were experimenting with and selling imported cocoa pods to local people in Akwapim. It is also known that the new government botanical station at Aburi (in the Akwapim hills) was cultivating and distributing the young plants. And, all along, we have been intimating that it was not the small subsistence peasant but the oil palm and rubber farmers-as-businessmen who took up cocoa cultivation and took it up on a large scale. According to W.M. Macmillan:

Clearly the decisive factor was the driving energy of this African class which had the wisdom to see in cocoa-production a new and promising source of wealth and profit. From the very beginning the backbone of the Gold Coast (Ghana) cocoa industry has been, not the simple tribal peasant, but in the real sense a "middle" class, of traders and entrepreneurs. The dominant even if absentee owners of cocoa farms are still men from the coastal towns.

It was, therefore, left to cocoa to consolidate and build upon changes that had been taking place within the subsistence village economy during the crucial 19th century.

Cocoa Cultivation and Class Formation in Southern Ghana: The Emergence of a Peasantry and a Rural African Bourgeoisie

The cocoa industry is of vital importance to the Gold Coast. If the values of minerals such as gold, diamonds and manganese ore, and forest products such as timber, are deducted from the total exports, cocoa represented [in 1934-35] 95 per cent of the remainder. The cocoa industry has raised the standard of living of the Gold Coast far above other parts of West Africa; it has necessitated and made possible the construction of railways and an elaborate network of roads; it has provided directly and indirectly a large portion of the public
revenues; it has brought the native into violent contact with world-wide economic factors which are raising important social and political problems; it is producing changes in land tenure; it is the financial barometer of the Colony. There is hardly a phase of native life which has not been profoundly affected by cocoa. 29

Whereas the cultivation of the oil palm touched the lives of only a few, cocoa soon came to be cultivated by the majority of peoples in the forest area of southern Ghana. The incorporation was differential in its impact, however, and favored those who, on one level, lived in the more fertile areas of Ghana, and who, on another level, had participated in earlier slave, oil palm and rubber trading. By the First World War, if not earlier, the following new social groups could be loosely identified in rural cocoa-producing Ghana:

1. large-scale cocoa producers, producers engaged in buying and selling cocoa in substantial quantities; substantial buyers and sellers of cocoa who were or were not engaged directly in the production of cocoa but who also owned cocoa farms;
2. peasant proprietors, consisting of small- and medium-size producers who had no connection with marketing;
3. migrant-hired laborers, permanent and casual, from the underdeveloped and structurally dependent northern and adjacent French territories;
4. free-sellers, petty traders and carriers. 30

By looking closely at the changes in three sets of relationship -- land, labor and market -- we are able to see more clearly how these groups emerged, how they tended to consolidate themselves, and how they are closely related, the one to the other.

Property Relations

The changes that had already begun to occur in precapitalist land tenure law, during the pre-cocoa oil palm and rubber years, were consolidated with the massive adoption of cocoa. We can view these changes on two levels, both of which had repercussions throughout society. The first, applicable in those areas in which local indigenous peoples (as opposed to migrant farmers) grew cocoa on land belonging to their clan, had to do with the nature of the individual's right to communal land once permanent cultivation, as opposed to shifting cultivation,
became the primary mode. The second, applicable in those areas in which land was sold or leased to "stranger" farmers, involved the commercialization of land and its sale or lease on an extensive scale.

The customary land tenure system, whereby stool subjects claimed rights to the fruits of the land and labor but not the land itself, was well suited to the type of cultivation involving the use of one plot for one or more years until fertility declined. With the introduction of cocoa, however, a tree plant which takes three to five years to mature and has a lifespan of forty to fifty years, customary law was faced with a dilemma. Nevertheless, within a few years of the introduction of cocoa, it had become generally accepted by both the customary and colonial legal systems that "the new phenomenon of permanent cultivation and occupation had transformed the subject's usufruct in stool land into a species of ownership, hardly distinguishable from the English freehold." A specific instance in which the new conceptualization of land came to light was the case in which a farmer pledged or mortgaged his land to a non-local moneylender. Upon defaulting on the loan, the moneylender met with the opposition of traditional authorities in his attempt to take possession of the land. In court case after court case, however, from the 1890s until World War I, the principles of permanent cultivation and permanent occupation, and, by logical extension, the principle of individual alienation of customary land, were reaffirmed. Communal land thus had been transformed, in practice and in theory, into private property. And this, needless to say, worked to the advantage of those who had capital to invest. In fact, those with capital had spurred on this change.

By the First World War, it had become clear that commercialization of land and land alienation (through the more normal but yet more extensive route of sales by chiefs) were proceeding at a very rapid pace in certain areas (Akim Abuakwa, for example). Colonial officials became alarmed and tried to reverse the process through the courts. From the post-World War I period until the end of the colonial period (1957), Chief Justice Raynor's reconceptualization of West African land tenure law predominated in the courts. This was the insistence that the notion of individual tenure and ownership were "foreign to native ideas." However, according to one student of Ghanaian land law, such a conceptualization was applied with "scant regard for the social realities." Commercialization and alienation continued despite court rulings.

It is important to note why the colonial state became alarmed at the pace of alienation. There was a genuine fear that if the process continued, land would one day be concentrated in the hands of a few "African capitalists." Indeed, it was
acknowledged that this process of concentration was well on its way. As we shall see, the colonial state did not view favorably the emergence of such a class of African capitalists because of the threat the latter posed for European capitalist interests in the colony. There was another reason for fearing land alienation that is worth mentioning. C.K. Meek expressed the fear that, in those areas where land was alienated to "stranger farmers," local chiefs (through whom the British ruled) would have no control over a substantial portion of the population living within their jurisdictions:

The European view of land-holding, or it might be truer to say the view held in Europe yesterday, has led to the conception that a man's land is his own to do with as he pleases, and that there is no longer a necessity to offer acknowledgement to chiefs in respect to land-holding. There is a political danger in allowing individuals to become owners of "freeholds," without owing any allegiance to the local Native Authorities. This danger has become emphasised by the arrival in many districts of large bodies of cocoa cultivators from foreign [non-local] territory. If "indirect rule" is to continue to be a cardinal principle of British policy in tropical Africa, it would appear to be essential that the local Native Authorities should remain the ultimate "owners" of as much land as possible, since the "ownership" or control of land lies at the root of all African conceptions of government. The freedom accorded to chiefs in the past to sell stool or community lands outright had as its natural corollary the disruption of the native policy.36

It is important to note that there were differences between Ashanti and the eastern region in terms of adjustments in land law. Ashanti chiefs were better able to hold onto the land due, it is speculated here, to a "time lag," i.e., a period of time between the introduction of cocoa in the eastern region and its introduction in Ashanti. Ashanti chiefs (the Asantehene, in particular, for he prescribes for all Ashanti chiefs) appear to have learned a great deal from the Akim Abuakwa experience. Polly Hill notes that cocoa was spread to Ashanti by the indigenous traders. Unlike in the eastern region where the traders appeared simultaneously as traders and cocoa farmers, these producers-traders functioned in Ashanti in the early-20th century as traders only. Since they had not exhausted possibilities
for cultivation in the pioneering areas of the eastern region at this time, Ashanti farmers were the first cocoa cultivators on Ashanti land. By contrast, Akwapim and Krobo farmers were the first cocoa cultivators in Akim Abuakwa. The Asantehene, with the help of the colonial government, early on made a firm declaration that Ashanti lands were not for sale. What Ashanti chiefs were allowed to do was lease land to strangers. Usually, an initial sum of money and yearly rental sums were required, all based on the size of the plot. However, Ashanti farmers who found land scarce in their own areas could purchase land from related clans elsewhere in Ashanti. Two interesting points can be brought out about this attempt to keep Ashanti land in Ashanti hands. One is that, to the present day, there is a great deal of dispute over whether or not leged land is land that has been purchased by the stranger farmer. Another is that the degree of concentration of land and production in Ashanti appears to be no less than it was in the eastern region.

Labor Relations

In spite of this trend toward the concentration of land and production in the hands of a few, it should be clear by now that the bulk of the rural population in southern Ghana retained access to some land. These were medium- and small-scale peasant proprietors who combined subsistence with cash crop farming on plots within their customary areas or on small plots purchased with small amounts of money. It is important that we try to determine why such a stratum of small holders should have emerged and why it took on a fairly permanent character in the face of the erosion of the principle of communal (non-private) land ownership and in the face of relatively highly capitalized producers-traders. The historical trend elsewhere has been in the direction of expropriation of communal holders, concentration of land holdings and transformation of expropriated peasants into landless and "free" agricultural wage laborers.

One possible explanation points to the land/man ratio in southern Ghana. Land was often plentiful in the early stages in late-19th and early-20th century Ghana. Later on, when fewer and fewer plots were available, those with capital could buy land from other villages in distant areas. This is, in fact, what happened. There has been a continuous westward and northward migration of farmers from the original pioneering cocoa areas of the eastern region into Ashanti, Brong-Ahafo and Sefwi-Wiawso in the western region. But an abundance of land in other historical cases has not prevented the expropriation of the peasantry and concentration of land in the hands of a few. We must, therefore, look further for additional factors that might have influenced the particular shape Ghana's rural structure took.
As time went on and the expansive producer-trader stratum acquired large and widely scattered cocoa farms, the need arose for an agricultural labor force. Again, in other historical cases, the local peasantry was expropriated in order to supply the needed labor. That this did not occur in southern Ghana had more to do with the indirect and perhaps unanticipated consequences of colonial policy than with the fact that local peasants had some land of their own and were not willing to go and work the land of larger landowners. The source of supply for the agricultural labor was to be the northern territories of Ghana and the adjacent French territories where coercion was used to encourage able-bodied men to migrate seasonally to the centers of economic activity in the south. It is speculated here that it was this factor that helped determine that a small- and medium-sized local peasantry should hold on to its land rather than be pushed off and forced to labor for the larger capitalist-producer.

It is well known that French colonial policy directly and indirectly forced men in the Sahel countries to migrate seasonally and permanently. The mechanisms used were the head tax, forced labor and military conscription. In addition, little attempt was made to encourage cash crops suitable to these drier areas. In all fairness, it must also be noted that periodic droughts in the early-20th century in the Sahel region (not quite of the magnitude of the drought in the 1970s) forced people to pick up and move southward. The result of these man-made and natural forces was the creation of a "labor reserve." Many such migrants ended up working on the cocoa farms of the Ivory Coast and Ghana.

It is not so well known that in Ghana an element of coercion was involved in stimulating entry into the money economy. As early as 1899, the colonial state had come to visualize the role of the northern territories of Ghana as one of providing labor for the south. In that year, the governor, Sir Frederic Hodgson, stated:

I cannot too strongly urge the employment of all available resources of the Government upon the development of the country south of Kintampo. . . . I would not at present spend upon the Northern Territories -- upon in fact the hinterland of the Colony -- a single penny more than is absolutely necessary for their suitable administration and the encouragement of the transient trade.

In addition to being recruited for work on early government public works projects such as roads, railways, harbors, etc., peoples from the north were recruited to work on the European-owned gold mines between 1907 and 1927. In reference to the latter, it is
known that colonial officials assisted in the recruitment. They
demanded that chiefs in certain districts supply a certain num­
ber of men for such work. If the men were supplied, the chief
might receive a fixed sum per head; if the requisite number of
men were not supplied, the chief was fined.44

Government policy, supplemented by periodic drought and
penetration of the money economy had the effect of encouraging
more and more migrants. In time, more went voluntarily and on
their way to the coast, stopped off to work on the cocoa farms.
Eventually, the demand for labor on the cocoa farms caused a
critical labor shortage further south. These men migrated sea­
onally (the cocoa harvesting and planting season coincided with
the dry season in the north) and permanently, sending for their
wives and children once they were settled. By 1920, there were
over 20,000 northerners in Ashanti alone.45

The numerous and complicated labor hiring arrangements
that emerged will not be discussed here.46 For our purposes, it
is sufficient to note that the availability of labor freed those
capitalized producers-traders to go on and establish new farms
and to manage their trading operations. The actual farming was
left to hired share, annual (contract) and casual (by day) labor.
Hired labor was recognized as a form of capital. Those with some
capital already (accumulated through trading) were better able
to make use of hired labor. As the 1930 census officer pointed
out, "The fruits of labour not only rewarded monetarily the la­
bourer but also enriched the hirer."47 He also pointed out, quite significantly, that "... the industrious planter has
been forced to hire labour in order to cope with the fruits of
his industry and is gradually ceasing to be a working farmer
with the inevitable result that in course of time he will be a
non-working landlord. . . .48

It is interesting to note that not only did large-scale
producers hire labor but smaller producers did as well. This
can perhaps be accounted for by the cheapness of labor and by
the inferior status of northerners, which dates back to the
slave-trading days. Northern migrant workers came quickly to be
equated with manual farm labor in colonial Ghana. However, in
hiring labor, most of these smaller and poorly capitalized
producers made their own situation worse. Abusa or sharecrop
laborers, for example, claimed one-third of the harvest. This
left small farmers with very little money and most of this was
spent on consumer goods. By contrast, capitalist producers­
traders benefited more by hiring labor because they could place
several abusa laborers on a very large plot of land and be cer­
tain that each laborer would be satisfied by sharing one-third.49

What distinguished the large capitalist from the small
producer, in addition to size of holdings (degree of involvement in the exchange economy) was what each did with his profits. The capitalist producer tended to consume a portion but he also invested a portion in buying more land, hiring extra laborers, and, importantly, setting himself up as intermediary in the exchange system. It is to these all-important market relations that we now turn.

**Market Relations**

The following quotation gives some indication of the ways in which producers-traders operated and accumulated capital.

The native small capitalist becomes possessed, either directly by purchase of land . . . or indirectly through the widespread custom of pledging farms, often widely scattered. He may be a farmer who thus invests the proceeds of his initial successes, or more commonly a broker who has made money as a middleman. It is usual to say that most brokers are farmers as well, but which function typically precedes the other has not been made clear. We heard of one farmer who had in his possession no less than 79 widely scattered farms...

From the very beginning, the "middle class" of former slaves, oil palm and rubber traders and entrepreneurs were positioned to buy up the crops of hinterland producers and convey them, with the help of hired carriers, to the nearest European store or to the coast. In fact, the profits to be made in colonial Ghana were not so much in the producing of cocoa (as Cadbury's found out when its experimental plantations failed to yield sufficient profits) as in the buying and selling of cocoa, both internally and externally. For the cocoa traders, buying up cocoa from actual producers was fundamentally different from all of their previous buying activities. Slaves were not "produced" in the same sense as cash crops were produced. And, as we have seen, the earliest sources of oil palm and rubber were collected (as opposed to cultivated) and later sources were produced largely by the traders themselves. But when the masses of people in the forest region took up cocoa cultivation, the trader was now in the position of appropriating part of the labor of the producer.

As a general rule, indigenous cocoa buyers and European merchants tried to buy cheap and sell dear. In the pre-World War I period, a number of factors brought indigenous and foreign
capital into conflict over the cocoa trading surplus.

First, the price of cocoa fluctuated wildly from day to day. This gave indigenous traders the opportunity to appropriate a surplus from the producer and cut into the profits of European merchants on the coast. For example, if prices being offered on the coast increased, an African trader, with advanced warning, could purchase crops in the interior at the old lower price and sell them on the coast for the new higher price. He could also, with advanced warning, profit by a price decline on the coast. In this case, he could buy up crops at the new price, claim ignorance of the price decline and demand from the coastal merchant the old price. Hinterland producers often had to accept the price quoted by the African trader because they may have been advanced money, during the off season, by the traders in return for the promise to sell all or part of their harvest at the going or at a fixed price. European merchants on the coast had few ways of checking such "abuses" other than by agreeing on ceiling prices among themselves (known as collusion or price fixing). African traders knew that the numerous price agreements between the very largest European import-export firms between 1900 and 1937 were aimed not only at eliminating competition from new and smaller European entrants but also at them as representatives of indigenous capital. As one African trader testified before the Nowell Commission, which investigated the 1937-38 cocoa holdup, price fixing agreements were an attempt to "eliminate the large [African] buyer who was on a more equal business footing with them so as to be able to deal only with 'small boys,' i.e., minor buyers, whom they could exploit."51

Another factor which led to conflict is related to the firms' reaction to abuses made of a fluctuating market. Increasingly, after the turn of the century, the large monopoly firms or groups of such firms dominated the colonial import-export trade. The amount of capital it took to engage in the export of capital grew larger. African traders, even the more substantial ones, felt the squeeze of large capital. As a result, they declined in importance and/or were pushed further into the interior. They did not go without a fight, however. The numerous cocoa holdups from 1916 to 1937/38 were organized by wealthy producers-traders and chiefs in an attempt to maintain their hold on internal trade in the face of extensive European penetration, and carve out a place for themselves in the lucrative export business. A close examination of colonial documents, private firms' records, and literature put out by the leaders of these holdups confirms this.52 Wealthy indigenous producers-traders and chiefs were able to rally the support of most small peasant producers during these holdup crises largely because there was evidence of a link between price declines and the existence of price agreements among the major firms. It is interesting to note that producers-
traders had an additional and more particular reason for wanting to hold up the sale of crops until prices increased: they had often bought up large stocks of cocoa and stood to lose a great deal if prices declined below the level at which they had been bought from the producer.

Few African cocoa traders had large operations. The Nowell Commission Report established that in 1938 there were some 38,500 individuals engaged as intermediaries (1,500 brokers and 37,000 sub-brokers). These ranged from the small-scale buyers or sub-brokers who were employed by European firms or by larger African or Syrian buyers to independent African (and Syrian) buyers and exporters who had several thousands of pounds sterling in capital and handled up to 5,000 tons of cocoa each season. Clearly, in terms of their dynamic role in spreading capitalism throughout rural Ghana, we have not been referring to the petty cocoa traders who manipulated scales and "cheated" producers out of the proceeds of their sales. These traders abounded and were more likely to be found among the scale buyers. We have been referring to the cocoa traders who also owned cocoa farms at the same time. By means of lending or advancing cash to producers during the off season, they assured themselves of a regular clientele whose cocoa could be bought at below market prices from year to year. They kept stores and employed sub­brokers and laborers and reinvested trading money into expanding cocoa farms, buying lorries and securing a larger clientele. They realized that there was a surplus to be tapped by bypassing the European firms and selling directly to the world market. These traders realized that, even at the level of the world market, greater returns could be made by indigenous entrepreneurs if the supply of agricultural exports that reached the world market could be controlled. They also began to realize that chocolate, pound for pound, was much more valuable than raw cocoa beans. In addition, they finally realized that the state, rather than acting to protect the interests of indigenous entrepreneurs, sought to subordinate them and facilitate the extraction of surplus from the colonial economy by European capital.

Cocoa, Class Formation and the State in Colonial Ghana: Conflict and Subordination

In our attempt to trace the emergence of a capitalist class of wealthy cocoa producers and traders, medium- and small-scale non-trading producers, and hired laborers in the late-19th and early-20th century Ghana, we would do well to heed the warning of Immanuel Wallerstein, who wrote that "classes do not have some permanent reality. Rather they are formed, they consolidate themselves, they disintegrate or disaggregate, and they are re-formed. It is a process of constant movement, and the greatest barrier to understanding their action is reification."
This warning is particularly appropriate when we look at the evolution of the rural social structure of southern Ghana within the context of an expanding Euro-centered capitalism. At the beginning of this paper, mention was made of Ghana's incorporation into the world-wide capitalist system as a periphery. In contrast to the center of such a system, whose economic growth is self-generating and self-sustaining, the periphery was created by the center to serve the needs of the center for raw materials, markets and investment. The economy of the periphery is dependent in that growth and expansion are not internally generated; rather, growth and expansion in the periphery are a reflection of growth in the center. Crucially, the social structure of a peripheral area is organized or reorganized in such a way as to reinforce and perpetuate the peripheral status of the area. If indigenous social classes -- especially the emerging bourgeoisie -- have to be subordinated to the interests of capital in the center, it is the role of the colonial state to do this.

It appears that during the pre-World War II colonial period an emerging rural African bourgeoisie was fighting against peripheralization. This should not be confused with fighting for an equal distribution of wealth and resources, as the appropriation by this class of a surplus from other rural producers demonstrates. Colonial policy had always favored the interests of European capital over local capital. The expansion of an indigenous bourgeoisie was thus limited as a matter of general policy. But, when it became clear that the emerging rural African bourgeoisie could stop the flow of nearly 50 percent of the world's cocoa crop, as it did for two months in 1930 and six months in 1937-38, the colonial state had to take more direct measures to restructure the indigenous society to the demands of British capital.

In the fall of 1939, when war broke out in Europe, the British government introduced statutory controls of cocoa exports. Since the details of the arrangements are well known, only a few remarks are in order. The scheme involved the fixing of producer prices seasonally by London cocoa committees. These committees were made up of colonial officials and European buying and manufacturing interests. Quotas were set and allocated to major exporters by these same committees. One observer has noted that the profit margins for the firms under the control scheme during the war were greater than what they would have been had controls not existed. In terms of the impact of controlled exports in the indigenous social structure, we can note that the blocking of indigenous entrepreneurs from access to the world market stunted their growth and expansion. Moreover, fixed producer prices deprived producers-traders of capital in direct and indirect ways. Directly, all producers were deprived of a substantial portion of the full market value of their crop.
P.T. Bauer estimated that between "the establishment of these organizations and 1962, the state export monopolies withheld from the producers of the controlled crops of Nigeria and the Gold Coast (Ghana) between one-third and one-half the commercial value of the yield. In absolute terms, the sums for these two territories over this period exceeded 700 million pounds sterling."\(^{60}\) Of course, capitalist producers controlled a disproportionate amount of land and production so the loss to them was disproportionately great. Indirectly, fixed prices deprived producers-traders of the opportunity to extract large surpluses from small producers, as during earlier times when no one was sure of the exact price. This capital would have been used to expand into numerous areas. The overall effect, according to Bauer, of the state intervention in the cocoa economy was "the obstruction of the spread of cash crops, the accumulation of private capital and the development of a prosperous peasantry and of an independent middle class."\(^{61}\)

A final word must be said about the post-colonial state. The marketing board structure carried over into the post-colonial period. Its surpluses came to be used to support the living standards of an alliance of indigenous forces which included the bureaucracy, the military and professionals. This alliance of social forces perpetuates and reinforces dependency and under-development because it consumes rather than productively reinvest the surpluses it extracts from the export sector.

Notes


7. Ibid.

8. Hymer, op. cit.

9. Ibid., p. 35.

10. Ibid., p. 37.

11. Ibid., p. 39.


13. Ibid.


15. Ibid., p. 4.


17. Colonial documents are illuminating on this subject. See Gold Coast Legislative Council Debates, 1916-1928, especially the governor's annual addresses.


44. Thomas, *op. cit.*


47. Cardinal, op. cit., p. 85.

48. Ibid., p. 84.


51. Ibid., p. 116.


55. On this notion, see Immanuel Wallerstein, The Modern World System.


57. See the Nowell Commission's account of previous knowledge of the London Colonial Office of agreements between firms and sanctioning by that same office of the 1937 agreements.


59. Ibid., Chapter 19.

61. Ibid.