Slavery's Legacy and Intra-African Trade Flows

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Slavery has undeniably left a deep scar on the development of African nations. An understanding of the past is essential to creating better future outcomes; in this essay, Thomas Walsh explores the history of slavery in Africa and outlines its long run effects on current trade outcomes. A thorough overview of the literature in this field facilitates a deeper understanding of why certain patterns can be identified in African trade flows and offers scope for further research in this area.

Introduction

"Hatred, slavery's inevitable aftermath"
José Martí, 1887 (Thomsett and Thomsett, 1997).

The African slave trade is widely seen as one of the most important events in African history. Its consequences for African development at the time were enormous, and much research has gone into its impact on African development today. Looking this far back in history to explain current economic conditions is not unfamiliar. Acemoglu, Johnson and Robinson (2001) went as far back as the 17th Century to investigate the effects of colonial rule on current African economic performance. Agreeing with Nathan Nunn's (2008) belief that the slave trades may have been at least as important as colonial rule for Africa's development, this paper aims to examine the possible impact of trade flows created during the slave trade on trade flows within Africa today.

Slaves were captured and traded from areas inland toward the coast of Africa to be sent to other parts of the world by boat. This created trade flows for the sole purpose of slavery, which in turn may have created trade relationships that persisted until today, thus stimulating current trade between the coastal and inland parts of Africa. Should this be the case, it would give rise to a potential benefit from the slave trade in which lasting economic relationships were formed, aiding trade and economic performance in the long run.

On the other hand, the fact that these trade flows arose for the purpose of slavery could have created a bad taste between the affected countries, thus negatively impacting trade in the long run. Early in the slave trade, nearly all slaves were taken in large scale conflicts or state organised raids, which created an environment of extreme insecurity outside of the local community (Nunn and Wantchekon, 2011). The widespread social and political mistrust resulting from this may have hindered trade and created further political conflict, which has had lasting consequences for current African trade and development. This paper aims to investigate the possible effect of slave trade flows, created through the capture and selling of slaves, on current trade flows within Africa, focusing on the transatlantic slave trade.

The Journey to the Coast

There exists are large amount of evidence regarding the flow of slaves during the slave trade. While there is in some respects a lack of quantitative data, there are many accounts describing the way in which slaves were captured inland in raids and transported to the African coastline, or how people from inland communities were sold into slavery by their families to slave merchants on the coast in the hope of protecting themselves. The demand and supply of slaves was not so unlike any other economic model and it resulted in trade flows being created from inland communities to European traders on the African coast.

Along the Gold Coast (modern day Ghana), people sold as slaves across the Atlantic were often captured from as far inland as the Sahel region (modern day Burkina Faso). In Central Africa, where nearly half of all transatlantic captives originated, those forced upon ships in Luanda or along the Congo River came from increasingly distant parts of the interior (Slaveryandremembrance.org, 2016). There are also reports of slave raids taking place up through Nigeria into the southern parts of Niger (Perbi, 2001), and evidence that among the societies inland that produced the slaves was the Kingdom of Matamba (da Fonseca Ferreira, 2010) which, as shown by the map below, was in modern day Zambia. All of this evidence suggests that the trade flows existed and were significant enough to possibly have an effect on trade today.

Figure 1 – Kingdom of Matamba (Africafederation.net, 2016)

Our focus is on the transatlantic slave trade in which slaves were transported from Africa to the New World. This is because it is by far the largest and most well-known, and the other three slave trades (the trans-Saharan, Red Sea and Indian Ocean) are much older and predate the transatlantic slave trade (Nunn, 2008). Between 1519-1867 it is estimated that nearly 12 and a half million slaves were deported from the shores of Africa to the New World (Eltis, 2001). It is also interesting to note that nearly all of the African countries involved in the transatlantic slave trade are not part of Africa's largest free trade zone, with the main exceptions being Angola, DR Congo and Zambia, as shown below. Trade in this region is clearly more complex than in the rest of Africa, perhaps due to its involvement in the transatlantic slave trade, making it an interesting area for research.

The Long Run Effects of the Slave Trades on Africa

There has been much work done to date on the role the slave trades played in shaping modern day African society. Researchers such as Nunn (2008) and Lovejoy (1989) agree that the slave trades are important in explaining current African development and this seems to be the consensus across the related literature. There are opposing views however, as demonstrated by Eltis (1987) who argues that the slave trades did not have as big an influence on African history as may have been thought. This view is not widely accepted and has been largely disproved by Lovejoy (1989) and other literature surrounding the topic.

Figure 2 – Africa's Tripartite Free Trade Area (TFTA) (BBC News, 2016)

Nunn (2008) focused his studies on the relationship between slavery and subsequent economic development. He looked at this relationship from two dimensions. One was to measure the impact of slavery through the volume of slaves exported from a country and determine its effect on subsequent economic development. His results found a robust negative relationship, suggesting that increased extraction during the slave trades is the cause of worse subsequent economic performance. An interesting point to note in his study is that he used instrumental variables as well as OLS estimates to investigate the possible claim that the least developed areas of Africa were originally selected into the slave trade. This would indicate that these areas were headed for poor economic performance today regardless of whether the slave trade took place there or not. Both the qualitative and quantitative evidence showed that it was in fact the most developed parts of Africa that tended to select into the slave trades, thus highlighting its effect on their development (Nunn, 2008)

The other dimension from which he looked at this relationship was in a study done with Wantchekon (2011). They traced current low levels of trust in Africa back to the slave trades and demonstrated the effect that these low levels of trust had on current institutional performance. Their evidence has shown that the slave trade resulted in a deterioration of legal and political institutions which persisted to this day, discouraging individuals to act in a trustworthy manner. They measured the relationship between lack of trust and slavery empirically and found that individuals' trust in their relatives, neighbours and local government is lower if their ancestors were heavily affected by the slave trade. A positive relationship between trust and distance from the coast also exists which further supports their findings (Nunn and Wantchekon, 2011).

Eltis (1987) based his startling conclusions on the monetary value of the transatlantic slave trade on a per capita basis. However, while the real costs of the slave trade on African societies were the loss of life, subsequent famine and disease, the economic costs of the slave trade on African economies were also severe (Lovejoy, 1989). All of this evidence suggests that slavery had a significant and negative effect on current African economies.

Current Levels of Trade within Africa

The level of current trade in Africa is another interesting area for research. Scholars such as Foroutan and Pritchett (1993), and Coe and Hoffmaister (1998) have taken gravity model approaches to explain the reasons for these current trade levels, which in comparison with other continents is quite low.

Four different studies undertaken by researchers across Africa and Asia found that Africa has the lowest internal trade volume compared to other trading blocs in Europe, Asia and Latin America (Afdb.org, 2013). In 2011 intra-trade among African countries was 10% (Rugwabiza, 2012). This low level of trade has negative consequences for African development. Reduced trade leaves African countries with low investment and competitiveness, high vulnerability to external shocks, missed growth and development opportunities and limited participation in global value chains (Rugwabiza, 2012). These significant negative impacts mean that finding the cause of diminished trade levels is essential in explaining current economic performance in Africa, a question which again finds many different answers across the literature.

Rugwabiza (2012) indicated that the low levels of intra-African trade are due to inadequate infrastructure, non-tariff barriers and historical factors suchs as colonial rule. Other researchers indicate that the low levels of trade are completely explained by the low degree of trade potential amongst the countries, primarily because of their low level of GDP (Foroutan and Pritchett, 1993). On applying the gravity model, Coe and Hoffmaister (1998) had a similar finding that Africa's relatively low level of bilateral trade with industrial countries is mainly due to the relatively small size of the average African economy. They even suggested that, if anything, Africa overtrades in the sense that its trade is higher than would be expected from the various determinants of bilateral trade.

While intra-African trade is lower than in other parts of the world, the question of whether it is relatively lower or higher is the subject of debate. This paper suggests that African slave trade flows may have had an effect on current intra-African trade flows.

This could crucially explain a reason for higher or lower trade within Africa relative to other continents. On review of the literature and given the destructive nature of the slave trades, one would expect that the effect could be significant and that trade flows created during the slave trades have had a negative impact on current trade flows within Africa, thus hindering trade and economic development.

Conclusion

The transatlantic slave trade marked a radical break in the history of Africa and was a major influence in transforming African society (Lovejoy, 1989). To this day it stands as the largest long distance coerced migration in history (Eltis and Richardson, 1997) and the extent to which it affected African trade flows and development make it both a fascinating and important area for research. Many of the devastating consequences resulting from the slave trade have continued to have a lasting impact on African society today, through the damage done to state structures, the creation of social and political mistrust, and the worsening of Africa's trade position in the world economy.

In between the Gold Coast and the coast of Central Africa were the Bight of Benin and the Bight of Biafra. These four regions were the main export regions of slaves and so were among the worst affected by the slave trade. The three regions of the Gold Coast, the Bight of Benin and the Bight of Biafra contained the largest population densities on the sub-continent and had the most sophisticated state structures before the slave trade (Eltis and Richardson, 1997). A study done by Whatley (2012) found that the transatlantic slave trade increased absolutism by up to 35%, while reducing democracy and liberalism. This created weaker states which had lasting negative effects on African trade and development.

The slave trade also resulted in widespread political and social mistrust. As discussed, Nunn and Wantchekon (2011) have shown that individuals with ancestors that were heavily affected by slavery have a lower level of trust in their local government. The worsening of peoples' trust in their government together with the lack of democracy and liberalism has made political reform increasingly difficult, prolonging the existence of weaker states which arose as a result of the slave trade.

One aspect of these weaker states is that they relied extensively on slavery (Lovejoy, 1983). When the slave trade ended, the structure of African exports changed drastically and the correct institutions were not in place to facilitate this change. This negatively affected trade because the rise of produce exports started at such a low base and at a time when slave exports were becoming less important, western Africa suffered a decline in its position in world trade (Lovejoy, 1989), a decline from which they still have not managed to recover.

The African slave trade is one of the largest events in African history and has played a major role in influencing the current state of African trade and development.

As summed up by Whately, "*You sometimes cannot understand the logic (or illogic) of the world without knowing how it got that way.*" (2012). In order to fully understand why current African trade has developed in the way it has, one must understand the slave trade and its important role in African development, making it an essential area for research.

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