

## African economies in the late colonial period, c. 1945-1960

Key words: Africa, colonialism, economic development, fiscal capacity, incomes

### Summary

In this chapter, focus is on the period 1945-1960 and the discussion is divided into three thematic sections: First, macro-economic structures including growth trends and the composition of the economies. Second, colonial budgets including state finance, fiscal capacity, and economic policy. Third, changes in occupations, incomes, and living standards primarily for the African subjects. The text presents illustrative examples from the region and covers the economic interests and strategies of numerous groups amongst both the expatriates and the local populations.

During the late colonial era, the focus of economic strategies was on supporting the export sectors that were dominated by cash crop production and extractive industries. While the empires paid for the post-war reconstruction of the European metropolises, colonies also experienced economic growth. Increasing incomes and changing consumption patterns created some opportunities for local agro-processing, manufacturing, and services, but there were few larger initiatives for diversification of the colonial economies. Growth was extensive rather than intensive, and the reliance on a small number of commodities made the economies vulnerable to fluctuating world market prices.

The colonial budgets grew due to increasing tax revenues and more generous grants and loans from the metropolises. Subsequently, there was increasing government spending on the administration, infrastructure, and human development. Urbanisation led to substantial social transformation with new types of occupations, changing consumption patterns, unionisation, and new relationships between the urban populations and the emerging African political leadership. With an expanding wage sector and opportunities for engaging in export-oriented commercialization, there was growing differentiation and increasing income inequality. Finally, living standards also improved through better hygiene and health care, housing, infrastructure, and other investments in social development.

## Introduction

It is not self-evident how to pin-point the exact period when addressing 'the late colonial era' in sub-Saharan Africa (henceforth Africa<sup>1</sup>). Politically, decolonization started with the Union of South Africa gaining independence already in 1910 but staying governed through white minority authoritarian rule until 1994. Instead, Ghana was the first country to become independent with majority rule in 1957 and most other African colonies followed suit during the 1960s, although independence in Rhodesia (now Zimbabwe) in 1960 was followed by white minority rule that did not end until 1980. The military dictatorship in Portugal was the last European state to give up its African territories and Angola and Mozambique became independent in 1975 after tearing wars. Meanwhile, Namibia was the only territory that was colonized by another African country, and it gained independence from South Africa in 1991. Further, as the newly formed independent nations managed to rid themselves of foreign territorial control, many instead got caught up in neo-colonial economic and political systems governed by old and new masters under the umbrella of the Cold War.<sup>2</sup> Still, the focus in this chapter will be on the period between the end of WWII in 1945 and 1960, which is deemed in practice to mark the end of colonial economic strategies for *most* African territories. This focus means that independent South Africa is not included in the study and that some late independent countries, such as the former Portuguese colonies, are inadequately covered.

When addressing history, it can be tempting to write backwards – starting with decolonization as the outcome and then explain how it came about. This approach, however, makes some of the economic policies and strategies in Africa during the late colonial era difficult to understand. While the *political* insights that colonialism was coming to an end started to develop after WWII, the *economic* policies

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<sup>1</sup> Because of various historical events and processes, there is a profound cultural, linguistic, religious, political, and economic divide between Africa south of the Sahara and North Africa (Tunisia, Libya, Morocco, Algeria, and Egypt). The differences have had substantial effects on the makeup and development of the economic systems and colonial policies in the two regions. To tell a more coherent story, in this study focus is on Africa south of the Sahara while North Africa is excluded.

<sup>2</sup> Ralph Austen, *African economic history: Internal development and external dependency* (London: James Currey, 1987); W. R. Louis and R. Robinson, "The imperialism of decolonization", *The Journal of Imperial and Commonwealth History* 22, no 3 (1994): 462-511.

were ambiguous and lagged for some time. To do the complexities justice, it is preferable to write history forward, meaning that policies are presented as they evolve, and various groups' economic interests are discussed as they change over time. After all, colonialism was a process and not an event.<sup>3</sup> Further, the empires, especially the British and the French, covered enormous stretches of land and incorporated countless groups defined by their history, culture, language, and religion as well as their economic conditions and ambitions. Such diversity is found amongst both the colonisers and the colonised peoples. While the chapter covers complexities and non-static relationships, it will not do justice to all actors involved and only cover the major events that took place.

The late colonial period was a time when the colonial powers initially took a firmer grip on their colonial economies. It has even been termed a 'second colonial occupation' referring to how Britain relied on raw materials and foodstuffs from the empire for its own post-war economic recovery.<sup>4</sup> In the years 1945-1951, Britain extracted £140 million from its colonies to cover the high costs for post-war reconstruction in the metropole and to balance the payment deficit.<sup>5</sup> Such opportunities for increased incomes from the colonies' commodity trade led the colonial powers to show a greater interest in regulating the colonial economies. Meanwhile, the growing administrative efforts spilled over into a greater willingness to invest in socio-economic development compared to before WWII. There was an assumption that the economic progress of the colonial economies and the improved welfare of the African populations would support the colonial system by showing its benefits for both the colonisers and the colonised. This economic expansion caused Frederick Cooper to call the late colonial era for a time of 'development colonialism'.<sup>6</sup> Hence, there was a contradiction between extraction and regulation, on the one hand, and development investments, on the other hand.

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<sup>3</sup> Ewout Frankema, Erik Green and Ellen Hillbom, "Endogenous processes of colonial settlement: The success and failure of European settler farming in sub-Saharan Africa", *Revista de Historia Economica-Journal of Iberian and Latin American Economic History* 34, no 2 (2016): 237-265.

<sup>4</sup> D. A. Law and J. M. Lonsdale, "Towards the New Order, 1945-63", in *History of East Africa. Vol. 3* (Oxford: Clarendon Press, 1976).

<sup>5</sup> John Iliffe, *Africans – The history of a continent* (Cambridge: Cambridge University Press, 2017) p. 221.

<sup>6</sup> Frederick Cooper, *Africa since 1940: The past of the present* (Cambridge: Cambridge University Press, 2019).

The ambiguity can also be detected in the mixed political and economic interests of different groups. While the colonial offices in the metropolises became increasingly aware that the colonial era was coming to an end, local expatriate groups in the colonies themselves fought to safe-guard colonial rule and protect their economic interests. They had benefitted for long from discriminatory institutions and wanted to keep status quo.<sup>7</sup> Meanwhile, there were reoccurring protests against colonial rule amongst the African subjects, although initially they were directed against certain aspects of colonialism, for example discriminatory wage structures or land appropriation. Many African leaders first fought for socio-economic development for their followers and only later came to demand independence.<sup>8</sup> This was also true for the union movement that had grown stronger in the African cities already from the 1930s demanding higher salaries and improved conditions for their workers.<sup>9</sup> Most Africans were, however, farmers primarily engaged in food production for home consumption, although some were profiting significantly from expanding market opportunities for cash crops.<sup>10</sup> They lived and worked far from the epicenters of colonial policy making, but they were increasingly affected as colonial intervention expanded.

The chapter consists of three thematic sections. First, macro-economic structures including growth trends and the composition of the economies. Second, colonial budgets including state finance, fiscal capacity, and economic policy. Third, changes in occupations, incomes, and living standards primarily for the African subjects. Some colonial history prior to the period is added when it is deemed necessary to provide context or to compare and identify change. The last section summarizes the main arguments and highlight the dominating economic challenges at the eve of independence.

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<sup>7</sup> Leigh Gardner and Tirthankar Roy, *The Economic History of Colonialism* (Bristol: Bristol University Press, 2020).

<sup>8</sup> Cooper, *Africa since 1940*; Quett Ketumile Joni Masire, *Very brave or very foolish?: Memoirs of an African democrat* (Gaborone: Macmillan Botswana Publishing, 2006).

<sup>9</sup> Bill Freund, "Trade Unions", in *General Labour History of Africa: Workers, Employers and Governments, 20th–21st Centuries* (International Labour Association: Boydell & Brewer, 2019).

<sup>10</sup> Gareth Austin, *Labour, land, and capital in Ghana: from slavery to free labour in Asante, 1807-1956* (Woodbridge Suffolk: Boydell & Brewer, 2005); John Iliffe, *A modern history of Tanganyika* (Cambridge: Cambridge University Press, 1979).

## Macro-economic structures

Some economists have claimed that African economies historically were stagnant.<sup>11</sup> Meanwhile, economic historians have argued for reoccurring economic growth with fluctuations that were often caused by commodity price volatility in international markets.<sup>12</sup> However, there is a lack of systematic national accounts and GDP per capita estimates that could support either story – stagnation or reoccurring growth patterns. Recently Broadberry and Gardner published calculations for eight former British colonies covering the period 1900-2008, this provides a starting point to discuss growth trends.<sup>13</sup>

Figure 1 shows selected data from Broadberry and Gardner's series. Of the original eight countries South Africa is omitted, and to provide some historical context the graph covers 1935-1970, 15 years before and 15 years after the period under study. In 1945-1960, all seven economies experienced economic growth measured as increase in GDP per capita, although the results are most striking for Ghana, Northern Rhodesia (now Zambia), and Southern Rhodesia. For Kenya, Nyasaland (now Malawi), Nigeria and Uganda, the GDP per capita increases are modest, and perhaps they could even be understood as stagnant. That having been said, the economies expanded substantially in absolute terms if the rapid population increase is considered.<sup>14</sup> Instead of stagnation versus growth, the African colonies overall can be said to experience extensive rather than intensive growth during the period, meaning that production increased while productivity did not improve much.

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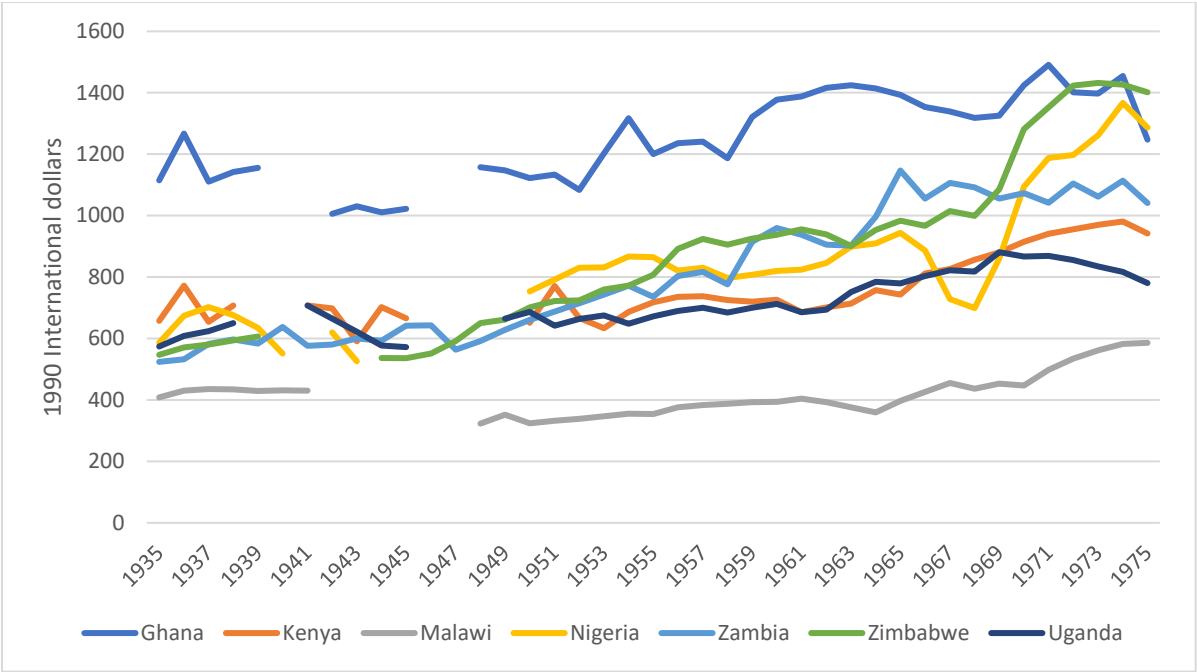
<sup>11</sup> Paul Collier and Jan Willem Gunning, "Why has Africa grown slowly?", *Journal of Economic Perspectives* 13, no 3 (1999): 3-22.

<sup>12</sup> Morten Jerven, "African growth recurring: an economic history perspective on African growth episodes, 1690–2010", *Economic History of Developing Regions* 25, no 2 (2010): 127-154.

<sup>13</sup> Steve Broadberry and Leigh Gardner, "Economic growth in Sub-Saharan Africa, 1885–2008: Evidence from eight countries", *Explorations in Economic History* 83, no 101424 (2022). See also Morten Jerven, *The Wealth and Poverty of African States: Economic Growth, Living Standards and Taxation since the Late Nineteenth Century*, Cambridge University Press, for additional GDP estimates.

<sup>14</sup> Ewout Frankema and Morten Jerven, "Writing history backwards or sideways: towards a consensus on African population, 1850–2010", *The Economic History Review* 67, no 4 (2014): 907-931.

Figure 1: GDP per capita growth 1935-1975 (in 1990 international dollars)



Source: Broadberry and Gardner 2022.

Further, the trends for most countries demonstrate some fluctuations. In the case of Ghana, the swings are so pronounced that we could talk of booms and busts. The fluctuations are more modest in Kenya, Nigeria, and Northern Rhodesia. Nyasaland and Uganda have more even although slower growth, while Southern Rhodesia experiences steady and substantial growth. One important explanation for the difference in trends is the degree of natural resource dependency. Ghana and Northern Rhodesia were successful in producing and exporting cocoa and copper respectively, but they were also vulnerable to fluctuations in international commodity prices. Meanwhile, Southern Rhodesia had a more diversified economy which enabled it to grow faster and being less vulnerable to external shocks. Nyasaland’s tea and tobacco sectors struggled throughout the colonial era and the territory remained poor.

The natural resource dependency was the outcome of decades of colonial policies. From the start of colonialism in Africa, an important driving force was the continuous expectations of profits gained from various economic schemes, profits going to the colonial powers themselves, foreign concession

companies, and local expatriate enterprises.<sup>15</sup> Therefore, strategic decisions were taken early on to promote a few key products per colony on which to base the export sector, for example coffee in Kenya, peanuts in Senegal, copper in Northern Rhodesia, cattle in Bechuanaland (now Botswana), and cocoa in Ghana. Sometimes the base of the export portfolio was somewhat more diversified, such as Uganda's mix of tea, coffee, and cotton exports.

In the post-war recovery from 1945 until the Korean war (1950-1953), there was an international commodity boom benefitting the natural resource rich African colonies. The rise in global demand and the increase in prices for African commodities provided the metropolises with a window of opportunity to fill their empty coffers. Growth in the colonies coincided with a dollar crisis in Europe and the colonial powers could earn the much-needed dollars to rebuild what the war had turned into ruins by increasing colonial exports. Consequently, the metropolises' post-war economic policies aimed at tightening their commercial controls and adding new forms of market interventions. The metropolises subsequently committed to larger transfers of financial resources to invest in socio-economic development than they had ever before. The economic expansion allowed the colonies to import more goods from Europe. Thereby the colonial powers could have double gains, they sourced critical raw materials and incomes from the African territories, while also securing markets for industrial consumer and capital goods.<sup>16</sup> Natural resource driven expansion also took place in colonial territories where expatriate settlers and/or African farmers previously had produced cash crops in a more modest scale, for example, coffee and cocoa in the Ivory Coast, cocoa in Gabon and Cameroon, coffee in Tanganyika (now Tanzania), and tobacco in Nyasaland.<sup>17</sup>

There are many possible illustrations of the long road of consistently increasing natural resource export dependency. In Northern Rhodesia copper mines were established around the turn of the twentieth century and from the mid-1920s colonial policies developed to recruit indigenous mine

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<sup>15</sup> Gardner and Roy, *Colonialism*; Patrick O'Brien, "The Costs and Benefits of British Imperialism 1846-1914", *Past & Present* 120 (1988): 163-200.

<sup>16</sup> Austen, *African economic history*, pp. 204-209.

<sup>17</sup> Iliffe, *Africans*, p. 215

workers and to secure domestic food production to support the growing urban populations. The dependency on the copper sector continued to grow throughout the colonial era. Between 1945 and 1953 copper exports accounted for 86.5 percent of export revenues on average, and in 1955 mining and quarrying made up almost 57 percent of GDP although it declined to 47.5 percent of GDP in 1960.<sup>18</sup> Meanwhile, a sugar plantation economy was established on the island of Mauritius. In 1960, 99 percent of exports were made up of sugar or direct by-products of sugar such as rum. This mono-crop economy was combined with few employment opportunities in the wage sector, no alternative raw materials or productive sectors, and reliance on imports of foodstuffs and consumption goods.<sup>19</sup>

During the late colonial era, economists in general had a favourable view of a trajectory where long-term economic growth and development was based on wealth in primary products, and the metropolises' economic policies were in line with that economic thinking.<sup>20</sup> Still, there were scholars coming from different schools of thought who were more skeptical of natural resource reliance. Raul Prebisch, whose arguments became the basis for the Dependency School in the 1960s, claimed that the technologically more advanced centers (the colonial metropolises) will reap the profits from the processing industries while the natural resource producers will lose out.<sup>21</sup> Meanwhile, Arthur Lewis, winner of the Nobel Memorial Prize in Economic Sciences, advocated for domestic diversification and moving underemployed labour resources from low productive 'traditional' sectors to high productive 'capitalist' industry and agriculture.<sup>22</sup>

Albert Hirschman argued that the key sector in a natural resource dependent economy often did not link up to other types of production, and that the more valuable the resource, the fewer the

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<sup>18</sup> Robert E. Baldwin, *Economic development and export growth* (Berkeley: University of California Press, 1966) pp. 35-36

<sup>19</sup> James Meade, "Mauritius: A case study in Malthusian economics", *The Economic Journal* 71 (1961): 521-534.

<sup>20</sup> See for example Hrothgar Habakkuk, *American and British technology in the nineteenth century* (Cambridge: Cambridge University Press, 1962); Ragnar Nurkse, *Problems of capital formation in underdeveloped countries* (Cambridge: Cambridge University Press, 1953).

<sup>21</sup> Raul Prebisch, *The economic development of Latin America and its principal problems*. Economic Bulletin for Latin America (1962).

<sup>22</sup> W. Arthur Lewis, "Economic development with unlimited supplies of labour", *The Manchester School* 2, no 2 (1954): 139-191.



linkages.<sup>23</sup> His predictions resonated with what happened in the colonial economies, where markets were regulated in ways that made the lack of linkages a designed outcome. The mineral rich economies had sizeable extractive industry contributing to government revenues and creating formal employment. Meanwhile, the processing of the minerals mostly took place outside Africa, and the iron-smelting that existed in pre-colonial times, disappeared everywhere. The machinery and spare parts needed for capital intensive extraction were imported. Further, although the mining colonies had large wage sectors compared to the agricultural-based colonies, the share of the populations in formal employment was a minority and after WWII, mining became even more capital, and less labour, intensive. For example, the copper sector in Northern Rhodesia experienced a sharp decline in employment figures due to increased mechanization and overall rationalization of labour tasks. In 1959, the copper sector only employed 35.000 African workers.<sup>24</sup>

The mono-crop economies suffered from a similar lack of linkages to agro-processing. While the colonial administrations encouraged increased production of cash crops such as cocoa and coffee, chocolate production and coffee roasting mostly took place outside of Africa. This meant that the added value of the raw agricultural products and the employment opportunities in the agro-processing industry were lost to the African economies. There were, however, exceptions. In Kenya, the 1947 Annual Report noted that there were several plants for processing coffee, jam, and pyrethrum, and there was associated light industry for beer brewing and biscuits. Although, it was all on a small scale compared to the agricultural sector.<sup>25</sup>

Other manufacturing sectors, not directly linked to mining or agriculture, that potentially could have been developed also led a dwindling existence. Researchers have mostly studied the trajectory of textile production in West and East Africa. A common understanding has been that the decline of the textile sector during the colonial era was due to the competition from cheaper imports from the

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<sup>23</sup> Albert O. Hirschman, *The strategy of economic development*. (New Haven: Yale University Press, 1958).

<sup>24</sup> Baldwin, *Export growth*, pp. 93-100.

<sup>25</sup> Anne King and Roger Van Zwanenberg, *An economic history of Kenya and Uganda, 1800-1970* (Dar es Salaam: East African Literature Bureau, 1975) pp. 127-128

textile industry in Europe, but this can be an oversimplification. Frederick argues that local textiles in East Africa were highly appreciated by the consumers because of their traditional patterns and therefore they could survive the competition from the mass-produced cloths. However, African textile production, which perhaps should be defined as handicraft rather than industry, was labour intensive with scarcely any mechanization. When colonial policies and regulations funneled scarce labour resources into other sectors such as mining and large-scale farming, few workers could stay.<sup>26</sup>

The marginalization of industrial manufacturing was the results of the metropolises' agenda with an interest in creating economic growth that they could profit from, but not diversification and sectorial change that potentially could turn the colonies into competitors. There were, however, efforts from within the colonies themselves to diversify and start up alternative production. In Southern Rhodesia, a manufacturing capitalist class emerged developing production from small-scale family-owned shops to large-scale, mechanized corporate-owned factories. As a result, in the early 1950s manufacturing contributed about 15 percent of total national income and in the early 1960s the share had increased further to over 18 percent.<sup>27</sup> Still, this is not a representative example as Southern Rhodesia had a comparatively large expatriate population driving the diversification.

### **Fiscal capacity<sup>28</sup>, state finances, and policy**

Over the colonial era, there was a considerable increase in per capita revenue collected to consolidate the government budgets. Central government revenue as percentage of total GDP in c. 1960 was some 20 percent in Ghana, 14 percent in Sierra Leone, around eight percent in Nigeria, Senegal and Ivory Coast, and five percent in Burkina Faso. Except for Ghana, these numbers are, on the one hand, modest if we compare with the UK and France where the government revenue share

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<sup>26</sup> Kathrine Frederick, *Twilight of an Industry in East Africa: Textile Manufacturing, 1830-1940* (Cham: Springer International Publishing, 2020).

<sup>27</sup> Giovanni Arrighi, "The political economy of Rhodesia", *New Left Review* 39 (1966): 35.

<sup>28</sup> Fiscal capacity is defined as the state's ability to, first, extract revenues through collection of taxes and, second, to use those revenues to provide public goods, such as health care and education, and to carry out administrative functions.

of GDP at the same time were around 27 percent and 20 percent respectively.<sup>29</sup> On the other hand, they improved throughout the twentieth century and were much in line with other developing economies at the time, including other colonies in Eastern, Central and Western Africa. The commodity boom after WWII discussed in the previous section, especially contributed to the increase in government revenues.<sup>30</sup>

Government revenues come from various sources, for example, taxes and to understand how they are collected and spent is a way to unpack economic policies. There are a few studies estimating the share of taxes in total government revenues that cover different, but sometimes overlapping, parts of the African region. In the British colonies in Eastern and Central Africa, the share of trade taxes had increased for some time and in 1950 it was around 40 percent of total government revenue in Kenya and Tanganyika. In Uganda, successful taxing of cotton and coffee exports resulted in trade taxes being 65 percent of total government revenues in 1950. Meanwhile, direct taxes experienced an opposite development representing some 30 percent of total revenues in Kenya and Tanganyika and only 10 percent in Uganda in 1950. In Central Africa (Belgian Congo, Nyasaland, Northern Rhodesia, and Southern Rhodesia), the outcome was more mixed. Except for Belgian Congo (now Democratic Republic of Congo), a large producer and exporter of copper, there was an overall decline in the share of trade taxes and a corresponding increase in the share of direct taxes.<sup>31</sup>

Similar patterns are reported in other studies. Frankema and van Waijenburg look for lessons from fiscal capacity building in British and French colonies over the years 1880-1940. One of their main conclusions lingers, namely that the share of revenue from trade taxes was closely related to the relative importance of direct taxes. When the former raised sufficient funds, less efforts were put

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<sup>29</sup> Ewout Frankema and Marlous Van Waijenburg, "Metropolitan blueprints of colonial taxation? Lessons from fiscal capacity building in British and French Africa, c. 1880–1940", *The Journal of African History* 55, no 3 (2014): 371-400.

<sup>30</sup> Denis Cogneau, Yannick Dupraz and Sandrine Mesplé-Somps, "African states and development in historical perspective: Colonial public finances in British and French West" (2018) <https://halshs.archives-ouvertes.fr/halshs-01820209/>; Leigh Gardner, *Taxing colonial Africa: the political economy of British imperialism* (Oxford: Oxford University Press, 2012).

<sup>31</sup> Gardner (2012) *Taxing colonial Africa*.

into collecting the latter.<sup>32</sup> This inference resonates with other studies on the British and French African colonies in the post-WWII years.<sup>33</sup> Also in the Portuguese colonies Angola and Mozambique, incomes from trade taxes increased significantly after 1945. In both cases, the export sectors expanded, but in the case of Mozambique it was primarily revenues from taxes on imports, not exports, that grew.<sup>34</sup> Several other colonies at various points in time also experienced that import taxes played a more important role for revenue collection compared to export taxes.<sup>35</sup>

As the years after WWII demonstrate, exporting valuable natural resources and agricultural products can result in fiscal expansion in times of commodity booms, but in times of declining international prices there is 'fiscal shrinking' and vulnerability. This was a tough lesson that the African colonies learned after the Great Depression in the early 1930s as the large-scale settler farmers struggled to deliver. To make the most out of taxing the trade sector, the colonial administrations needed to favour the most resilient cash crop producers. They re-evaluated their policies and during our period there was much more support of the indigenous farmers. For example, the African small-scale producers in Tanganyika managed the economic squeeze on the coffee sector during the Great Depression better than the expatriate settlers in Kenya. As a result, the Kenyan colonial administration began to reconsider previous discriminatory policies and successively lifted the ban on African coffee production. By the 1950s it was gone and in the period 1954-1964 small-scale indigenous coffee producers increased their output with 7,3 percent per year.<sup>36</sup>

Regarding direct taxes, collecting flat taxes was easier and cheaper than to develop systems for graded income taxes, especially when most subjects were self-employed in a mostly informal sector. Hence, direct taxes for the African population were primarily made up of household taxes, so called hut and/or poll taxes. Because tax levels were not related to income levels, the tax burden was

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<sup>32</sup> Frankema and van Waijenburg, *Metropolitan blueprints*.

<sup>33</sup> Cogneau, Dupraz and Mesplé-Somps, *African states*; Gardner, *Taxing colonial Africa*.

<sup>34</sup> Kleoniki Alexopoulou, "Local Conditions and Metropolitan Visions: Fiscal Policies and Practices in Portuguese Africa, c. 1850–1970", in *Fiscal Capacity and the Colonial State in Asia and Africa, c. 1850-1960* (Cambridge: Cambridge University Press, 2019).

<sup>35</sup> Cogneau, Dupraz and Mesplé-Somps, *African states*.

<sup>36</sup> Frankema, Green and Hillbom, *Endogenous processes*, pp. 249-252.

uneven and hit the poorest households the hardest. Meanwhile, the wage earners could be subjected to graded incomes taxes, and this applied primarily to the expatriate population. While these tax structures were established early on, they stayed much the same during the period of this study. What changed was the specific policies and the relative contribution of different taxes. For example, in Kenya direct taxation of Europeans increased over time from seven percent of total public revenues in 1939, to 16 percent in 1946, and 22 percent in 1955/56. Meanwhile, revenues from Africans declined from 20 percent of total public revenue in 1939, to seven percent in 1946, and three percent in 1955/56.<sup>37</sup>

While the increase in revenue collection within the colonies was important for the colonial budgets, more generous grants and loans also significantly improved the financial situation. Initially the financial independence of the African colonies had been an important principle and the transfer of funds from the metropolises had been modest, but this attitude started to change in the 1930s and the new policies accelerated after WWII.<sup>38</sup> In Madagascar, Togo, Cameroon, French West Africa, and French Equatorial Africa direct grants' share of GDP increased sharply in 1946 due to the creation of the Economic and Social Development Investment Fund (FIDES). The contributions from colonial aid declined at the end of the 1950s, although they stayed well above the levels prior to 1946. In the last 15 years of the colonial empire (in Africa and Asia), France spent 0.39 percent of its cumulated GDP on financial contributions to the colonies. French governments perceived these costs to be high, which in turn led to increasing budget control. Even though the empire was never an actual financial burden to France, they were concerned that more investments could lead to escalating claims for social and economic resources, including higher wages.<sup>39</sup>

The interwar period and the Great Depression taught the colonial administrations that revenues could plummet quickly when economic conditions changed, and this undermined the willingness to spend public funds. Under and during WWII, they first used surpluses to build a reserve that could

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<sup>37</sup> Gardner, *Taxing colonial Africa*, p. 195.

<sup>38</sup> Cooper, *Africa since 1940*.

<sup>39</sup> Cogneau, Dupraz and Mesplé-Somps, *African states*, pp. 462-463.

absorb future shocks, but after a few good years, the administrations became more optimistic and bolder in their spending.<sup>40</sup> An important aspect of 'development colonialism' was the growth of the colonial state in terms of number of people employed in the public sector as well as rising salary levels, especially for the expatriates. For example, high-ranking British colonial administrative officers were paid several times more compared to African workers.<sup>41</sup> In the French empire, public wages were lower compared to the British African colonies before WWII, but while the British real public wages subsequently fell, they remained consistent in the French colonies.<sup>42</sup> In both empires, a large share of the increased public spending in the late colonial era was used to cover salaries in the public sector. The conundrum was that the colonial bureaucracy was both too large in relationship to the financial resources it had at its disposal and too small to drive socio-economic development.

The growing interest in initiating a take-off of the colonial economies manifested itself in investments in large-scale development schemes. Despite good intentions, some of them turned out to be disastrous both financially and ecologically. Potentially the most famous example of such failure is the East African Groundnut Scheme that was to develop mechanized production of groundnuts on an area of some 3,210,000 acres of land, two thirds of which was in Tanganyika. The plan was approved by the British government in 1946 and over the next few years colonial officials struggled to deliver the promised results. One of the most acute issues was that the colonial authorities misunderstood the functioning of the local labour market and therefore the scheme struggled with inadequate labour supply. When also mechanization failed, actual production never met expectations. The initial projection was that after five years the scheme would deliver an annual production of 600,000 tons of peanuts, but at the end of it all, the scheme imported more

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<sup>40</sup> Gardner, *Taxing colonial Africa*.

<sup>41</sup> Ewout Frankema, "Colonial taxation and government spending in British Africa, 1880–1940: Maximizing revenue or minimizing effort?" *Explorations in Economic History* 48, no 1 (2011): 136-149.

<sup>42</sup> Cogneau, Dupraz and Mesplé-Somps, *African states*.

groundnuts as seeds than it harvested. The scheme became increasingly costly and when it was shut down in 1951, the British government had invested (and lost) over £36 million.<sup>43</sup>

The colonial states also invested increasingly in public works. Britain passed the Colonial Development and Welfare Act already in 1940 and in the period 1945-1951 some £40 million was invested. The funding primarily went to housing, water, schools, and other social projects geared towards wage workers, but also to other infrastructure and productive projects.<sup>44</sup> Constructing railway lines had been a favourite colonial investment since the start of the twentieth century. Focus had been on transporting minerals and agricultural products from the inland where they were produced to export points such as coastal harbours. Such investments were made to further export-led natural resource based economic growth. They both cemented the natural resource dependency and created a spatial path-dependency that was negative for long-term development.<sup>45</sup>

Still, the development gap between the metropolises and the colonies remained wide. In 1955, electrification measured as kWh per capita was 191 times higher in France compared to French West and Central Africa, road meters per capita was 3.5 times higher, and railroad meters per capita was nine times higher.<sup>46</sup> The funding of health care and education also increased after WWII, but was still meager compared to the spending on defence and public works, and it was biased towards the needs of the expatriate population.

The national movements that increasingly found their voice in the 1950s started off as demands for economic development and social change, and they held the colonial governments accountable for the lack thereof. Cooper writes that the demands “were not, at first focused on taking over the state. But they were focused on what states actually did.”<sup>47</sup> This also meant that the African leaders in the

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<sup>43</sup> Matteo Rizzo, "What was left of the groundnut scheme? Development disaster and labour market in Southern Tanganyika 1946–1952" *Journal of Agrarian Change* 6, no 2 (2006): 205-238.

<sup>44</sup> Cooper, *Africa since 1940*, p. 31; Iliffe, *Africans*, p. 221.

<sup>45</sup> Remi Jedwab and Alexander Moradi, "The permanent effects of transportation revolutions in poor countries: evidence from Africa", *Review of Economics and Statistics* 98, no 2 (2016): 268-284.

<sup>46</sup> Cogneau, Dupraz and Sandrine Mesplé-Somps, *African states*, p. 473.

<sup>47</sup> Cooper, *Africa since 1940*, p. 37.

making, were first aiming to be part of the colonial development strategies, and some of them were invited. Already in 1951, the future president of Ghana, Kwame Nkrumah, developed his policy agenda for taxing the colony's cocoa farmers to pay for investments in alternative productive sectors generally and industrialization efforts specifically.<sup>48</sup> In Bechuanaland, a group of young politicians, including the future president Seretse Khama, emerged from the ranks of the Tswana elite. They first worked with the colonial administration to shape the plans for future socio-economic development in the territory. Later, they formed the Botswana Democratic Party, BDP, that through democratic elections took over after independence.<sup>49</sup> These examples indicate that in some instances it was not only the colonial states, but also the future African political leaders that shaped the financial policies on the eve of independence.

The colonies continued to experience financial constraints because of the increasing expenditure commitments and to be vulnerable to fluctuations in world market prices. One way to achieve better financial stability was to increase the size of the colonial economies and during the post-war years there were several attempts at merging them into larger political and economic collaborations. For example, the Central African Federation consisting of Northern- and Southern Rhodesia and Nyasaland 1953-1963 as well as the regional integration of Kenya, Tanganyika, and Uganda through the East Africa High Commission. A few main arguments can be detected behind these efforts. First, larger political units would bring fiscal stability, which would increase fiscal capacity. Second, larger units could finance defense and foreign policy when they no longer had the support of the metropolises. Third, colonies could afford provisioning public services such as physical infrastructure. Finally, larger units meant larger domestic markets, a basis for sectorial change.<sup>50</sup>

The unions did achieve some of the goals set up in terms of creating common markets and financing large infrastructure projects. Yet, the collaborations came to a halt or faded in the years around independence, partly because there was a lack of support from Africans who feared the unions

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<sup>48</sup> Iliffe, *Africans*, p. 247.

<sup>49</sup> Masire, *Too brave?*

<sup>50</sup> Gardner, *Taxing colonial Africa*.



would primarily serve to strengthen the political and economic power of the European settlers. Meanwhile, several future leaders such as Kwame Nkrumah (Ghana), Léopold Senghor (Senegal), and Julius Nyerere (Tanzania) pushed for a variety of alternative political and economic collaborations designed and managed by the independent African states under the ideological umbrella of Pan-Africanism.

### **Occupations, incomes, and living standards**

Economic growth at the national level is often equated with increasing individual incomes, although the relationship between the two is complicated. The modest per capita growth rates presented in Figure 1 hide quite significant economic expansions and considerable changes in employment, wellbeing, and inequality. Further, when reflecting on continuity and change during the last decades of colonialism, also social transformation such as urbanization matter.

According to one estimate, the urban population increased from 4.8 percent of Africans in 1920 to 14.2 percent in 1960.<sup>51</sup> While urbanisation was an on-going process throughout the colonial era, the speed increased significantly during our period. Initially, colonial urbanisation was based on the expansion of mining towns, for example in the Copperbelt of Northern Rhodesia and Belgian Congo, infrastructure hubs such as Nairobi in Kenya, export and trade ports such as Lagos in Nigeria or Port Louis on Mauritius, or administrative centers such as Dakar in Senegal which became the de facto capital of French West Africa. The existing cities grew and in 1956, Luanda in Angola had 190.000 inhabitants, Nairobi in Kenya 210.000, and Leopoldville in Belgian Congo had 300.000 inhabitants.<sup>52</sup> The new life in the cities meant that people changed their occupations, livelihood strategies, and consumption patterns.

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<sup>51</sup> Bill Freund, *The African city: A history* (Cambridge: Cambridge University Press, 2007) p. 65.

<sup>52</sup> Ellen Hillbom and Erik Green, *An economic history of development in sub-Saharan Africa: Economic transformations and political changes* (Cham: Springer International Publishing, 2019) p. 142.

The cities typically contained more men than women because the urban wage sector primarily offered opportunities for younger men, especially in Eastern and Southern Africa. There was a long history of indigenous male labour, both local and migrant workers, in the mines. With the continued importance of natural resource exports after WWII, the mining sector provided additional employment opportunities and some colonial territories such as Mozambique became recruitment areas and labour reserves.<sup>53</sup> Urban expansion also offered jobs for African men in the growing construction sectors building houses, offices, and roads. Further, the growing imports of machinery during our period affected the service sector as tailors who opened shop in the colonial cities increased their productivity by using sewing machines, and there was a growing demand for bicycle and motor repairs.<sup>54</sup> Many urban African women took up formal employment as domestic workers, although they were mostly in sectors with self-employment that grew in step with urban expansion. They were entrepreneurs in the service sector doing laundry, brewing beer, cooking food sold at street stalls, and often they worked as prostitutes.<sup>55</sup> A large share of the expatriate population also captured the opportunities of the urban areas. In Kenya in the late 1940s, 58 percent of people of European descent lived in the cities.<sup>56</sup>

An important outcome of the growing urban wage class was the expansion in number and size of trade unions. The early unions were few, small, and often initiated by expatriate and racial minorities. However, the labour movement spread and grew in the 1930s, so that in the 1950s the unions were dominated by African wage workers and had gained significant political influence. In the years after WWII, large territory-wide and union-led strikes took place in Nigeria, Ghana, Tanganyika, the Rhodesias, and French West Africa. The trade unions fought for better working conditions, end to

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<sup>53</sup> Kleoniki Alexopoulou and Dacil Juif "Colonial State Formation Without Integration: Tax Capacity and Labour Regimes in Portuguese Mozambique (1890s–1970s)", *International Review of Social History* 62, no2 (2017): 215-252.

<sup>54</sup> Iliffe, *Africans*, p. 214.

<sup>55</sup> Freund, *Trade Unions*, pp. 91-92

<sup>56</sup> Iliffe, *Africans*, p. 215.

racial discrimination, and salary increases. Also, they often provided support for national political parties and leaders who were based in urban areas and concerned with urban conditions.<sup>57</sup>

Regarding incomes, there are real wage studies for the former British colonies focusing on African both unskilled and skilled workers<sup>58</sup>. Together, they highlight variations between colonies and sectors as well as changes over time. One study comparing the labour conditions in the copper mines in Congolese Katanga and the Rhodesian Copperbelt shows that welfare ratios<sup>59</sup> of copper mine worker increased from five to seven in Katanga while it doubled from four to eight in the Copperbelt in the period 1945-1958<sup>60</sup>. This suggests quite substantial real wage increases in the expanding mining sector. Meanwhile, real wages for unskilled agricultural workers in British Africa appears to have been rising sharply during the late colonial era. This was the continuation of a trend that had started already after the Great Depression but had come to a stand-still during WWII, and wage levels were relatively higher in peasant colonies compared to settler colonies.<sup>61</sup> However, another study of rural wages in Kenya, Nyasaland, and Tanganyika indicate that real wage developments for agricultural workers in settler colonies were actually not hindered by discriminatory colonial institutions. During the late colonial era, Kenyan workers improved their welfare ratios from 1.5 to 2.5 and were faring somewhat better than their counterparts in Nyasaland. In Tanganyika welfare ratios declined sharply from two to just below one and then stayed relatively stagnant.<sup>62</sup>

Workers usually kept their ties to their extended families in the rural areas and engaged in wage employment in the city while also farming in the village. This strategy has been termed 'straddling'.

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<sup>57</sup> Freund, *Trade unions*.

<sup>58</sup> Ewout Frankema and Marlous van Waijenburg, "Structural impediments to African growth? New evidence from real wages in British Africa, 1880–1965", *The Journal of Economic History* 72, no. 4 (2012): 895-926; Ewout Frankema and Marlous Van Waijenburg, "The great convergence. Skill accumulation and mass education in Africa and Asia, 1870-2010" (2019).

<sup>59</sup> Welfare ratios are calculated by dividing the wages with the costs of consumption baskets holding the necessary basic needs for the workers and their families.

<sup>60</sup> Dacil Juif and Ewout Frankema, "From coercion to compensation: institutional responses to labour scarcity in the Central African Copperbelt", *Journal of Institutional Economics* 14, no 2 (2018): 313-343.

<sup>61</sup> Susan Bowden, Blessing Chiripanhura, and Paul Mosley, "Measuring and explaining poverty in six African countries: A long-period approach", *Journal of International Development* 20 no 8 (2008): 1049-1079.

<sup>62</sup> Sascha Klocke, Maria Fibaek and Erik Green, "Rural wages in Eastern Africa, 1920-1960", in *Land, Labour, Legacies: Long-term trends in inequality and living standards in Tanzania, c. 1920-2020* (2021).

In a study of rural workers' welfare developments in Kenya, Fibaek documents how people in the late colonial era invested surplus from their wage employment in agricultural activities and education for their children. This became the start of inter-generational accumulation.<sup>63</sup>

Most Africans, however, made their living from self-employed farming only and their agricultural incomes were affected by agricultural investments and policies. During the 'second colonial occupation', colonial states extracted more revenues by taxing commercialized agriculture, mostly from the African farmers while the expatriate farmers, especially in the settler colonies, were taxed less and could increase their incomes more. Extraction was achieved by regulating markets for export crops, for example by forcing producers to sell to state-controlled marketing boards. Meanwhile, 'development colonialism' also brought spending and policy making to support increased production in both commercial agriculture and subsistence food farming. The campaigns to increase agricultural production and improve farming methods often came with regulations that did not always go down well in the rural communities. In the late-1940s there were reports from both Kenya and Cameroon of large-scale women-led protests against programs to prevent soil erosion.<sup>64</sup> This exemplifies a common misunderstanding between the colonial officers introducing 'modern' farming methods and the indigenous farmers relying on tradition and local knowledge. There were also many less controversial schemes with significant investments in extension services, animal care, irrigation schemes, establishment of cooperative societies and so on. Still, for the larger segments of African farmers technological and institutional change was limited and mechanization mostly absent. As Iliffe states: "Most Africans went into colonialism with a hoe and came out with a hoe, although it was often a better hoe."<sup>65</sup>

However, other more successful changes also took place to encourage indigenous agricultural production for the export sector. For example, in 1954 a first abattoir opened in Bechuanaland to

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<sup>63</sup> Maria Fibaek, "Working Poor? A Study of Rural Workers' Economic Welfare in Kenya" *Journal of International Development* 33, no 1 (2021): 41-69.

<sup>64</sup> Hillbom and Green, *An economic history*, pp. 134-137.

<sup>65</sup> Iliffe, *Africans*, p. 216.

service the protectorate's dominant cattle sector. Previously, 'exporting' mostly meant herding live animals across the border to South Africa. With a slaughterhouse in the protectorate there was easier access for the domestic cattle holders, a rudimentary agro-processing, and opportunities to sell frozen beef to more distant markets.<sup>66</sup>

While most farmers profited only modestly from market expansion in the late colonial era, there were groups such as large-scale cattle holders in Bechuanaland or cocoa growers in Ghana that benefitted significantly from the colonial policies to promote export-oriented commercialization. They controlled significant amounts of agricultural resources, hired labour, and earned substantial incomes and they have sometimes been referred to as 'rural capitalists' or 'agrarian elites'. At independence they constituted important economic interest groups, although they represented limited shares of the total populations.<sup>67</sup>

Agricultural growth and the increased commercialization of agricultural products also provided increasing opportunities for African traders. During the late colonial era, this group prospered as they continued to control traditional commerce, for example in cattle, while they also moved into the expanding trade of colonial products such as Nigerian groundnuts and Tanganyika coffee.<sup>68</sup>

There are now a growing number of studies on how incomes were distributed in the colonial economies. Some focus solely on the top income earners, meaning the 1 percent or even 0.1 percent with the highest salaries. Others use the social tables approach to address whole populations and estimate Gini coefficients to show income inequality, and the results are presented in Table 1. They show a consistent increase in income inequality in Bechuanaland and Senegal in the late colonial era;

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<sup>66</sup> Ellen Hillbom and Jutta Bolt, *Botswana – A modern economic history: An African diamond in the rough* (Cham: Springer International Publishing, 2018), chapter 2.

<sup>67</sup> Prince Young Aboagye and Jutta Bolt, "Long-term trends in income inequality: winners and losers of economic change in Ghana, 1891–1960", *Explorations in Economic History* 101405 (2021); Jutta Bolt and Ellen Hillbom, "Long-term trends in economic inequality: lessons from colonial Botswana, 1921–74", *The Economic History Review* 69, no 4 (2016): 1255-1284.

<sup>68</sup> Iliffe, *Africans*, p. 214.

medium to high levels in Ghana and Ivory Coast; high but somewhat fluctuating trends in Kenya; and fluctuating trends but lower levels in Uganda.

Table 1: Gini coefficients for six colonial economies for scattered years 1944-1965

	1944	1946	1948	1949	1950	1954	1955	1956	1957	1960	1963	1964	1965
Bechuanaland		0,36						0,47			0,55		
Ghana			0,49							0,52			
Ivory Coast	0,40			0,43		0,47							
Kenya		0,52			0,60		0,48			0,55		0,47	
Senegal	0,55			0,61		0,67							
Uganda			0,36						0,42				0,37

Source: Hillbom et al. 2023

According to the social tables studies, there appears to be two main drivers of the trend. First, there was a stratification within the wage economy with a smaller elite, primarily made up of European government officials, receiving higher salaries compared to the rest of the population. Second, incomes from commercialization were unevenly distributed with European settlers and African agrarian elites gaining the most.<sup>69</sup> These drivers developed throughout the colonial era, but were at their peak during the late colonial era.

In addition to incomes, there are other estimates of changes in living standards for the African population. For example, to compensate for the slower wage increase in Katanga mentioned above, the Congo mining companies stabilized their work force through the implementation of reforms and investments that raised welfare conditions by offering better housing, access to schools and so on.<sup>70</sup>

Another example is provided by De Haas who estimated the joint incomes from food and cash crop

<sup>69</sup> Ellen Hillbom, Jutta Bolt, Michiel de Haas, and Federico Tadei, "Income inequality and export-oriented commercialization in colonial Africa: Evidence from six countries", unpublished paper submitted to *The Economic History Review*.

<sup>70</sup> Juif and Frankema, *From coercion to compensation*.

production amongst commercializing small-scale farmers in Uganda. He finds rural welfare standards to be well above subsistence during the late colonial era.<sup>71</sup>

As discussed in the previous section, while the large colonial investments included spending on social development, the bulk of these investments went to further building of infrastructure such as roads and hydroelectric dams.<sup>72</sup> Still, social development in terms of improved hygiene and health care started already in the 1930s, but it received an additional push during the late colonial era with the spread of vaccinations and synthetic drugs as well as reduced crisis mortality, for example due to famines. These improvements can be traced in demographic data. During the post-WWII era, population growth accelerated rapidly in most part of Africa and by the 1960s average annual population growth was three percent per year. The increase was primarily explained by lower mortality, which resulted in a sharp increase in life expectancy. Meanwhile, fertility rates remained high and even increased in certain places such as the Belgian Congo and urban parts of Kenya.<sup>73</sup>

### **Economic structures at the time of independence**

In many ways, the late colonial era was a continuation of previous economic structures and trends, but there was also substantial change in the extent of extraction and investments as well as the level of ambition in policies for socio-economic development. Focus was on supporting the export sectors that were dominated by cash crop production and extractive industries. While it forced the empires to contribute to the post-war reconstruction of the European metropolises, it also offered opportunities for the colonies to achieve their own economic growth and development. Increasing incomes and changing consumption patterns created some avenues for local agro-processing, manufacturing, and services, but there were few larger initiatives for diversification of the colonial

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<sup>71</sup> Michiel De Haas, "Measuring rural welfare in colonial Africa: did Uganda's smallholders thrive?" *The Economic History Review*, 70, no 2 (2017): 605-631.

<sup>72</sup> Austen, *African economic history*, p. 207.

<sup>73</sup> Iliffe, *Africans*, pp. 243-244.

economies. Growth in GDP per capita was extensive rather than intensive, and the reliance on a small number of commodities made the economies vulnerable to fluctuating world market prices.

The financial situation improved as increasing trade taxes and more generous grants and loans from the metropolises were added to the colonial budgets. Subsequently, there was also increasing government spending on the administration, infrastructure, and human development. Urbanisation led to substantial social transformation with new types of occupations, changing consumption patterns, unionization, and relationships between the urban populations and the emerging African political leadership. The wage sector expanded and there was a rise in real wages, especially for the expatriate government officials. Meanwhile, the expansion of the export sector and investments to improve agricultural production raised incomes for (some) self-employed farmers. With agricultural growth and increasing commercialization there was also a growing differentiation and increasing income inequality within the rural sector. Finally, living standards also improved through better hygiene and health care, housing, infrastructure, and other investments in social development. Still, progress was modest, and gains were unevenly distributed.

At the eve of independence, overall income levels in Africa were on par with, or even higher than, the larger Asian economies. However, there were several structural challenges built into the colonial economies, some of which the African countries struggle with to this day. For example, the natural resource dependency and vulnerability to volatility in international commodity markets continue to cause growth fluctuations. Meanwhile, despite political awareness, economic diversification remains elusive. The expansion of the public sector and lack of encouragement of domestic entrepreneurship has resulted in a dominant public sector and weak private alternatives. The urban bias in post-colonial politics and the urban-rural divide remains an inequality challenge. Finally, due to modest investments in human capital, the African countries are still struggling to catch up regarding health and education.



## Discussion of the literature

Ralph Austen's *African economic history: Internal development and external dependency*, John Iliffe's *Africans – A history of a continent*, and Anthony Hopkins' *An economic history of West Africa* are all seminal works when it comes to the general economic history of Africa.<sup>74</sup> They address a longer period than the late colonial era, but Frederick Cooper's *Africa since 1940: The past and the present* is contemporary and includes a thorough discussion of the political economy in the decades before independence.<sup>75</sup> While Cooper includes the growing importance of the urban areas in his book, Bill Freund provides a fuller coverage of the history of African cities<sup>76</sup>. In addition to the books addressing the sub-Saharan African region more broadly, there are several scholars who have published on the socio-economic and political developments of specific countries, for example Gareth Austin on Ghana, James Meade on Mauritius, Anne King and Roger Zwanenburg on Kenya and Uganda, Jutta Bolt and Ellen Hillbom on Botswana, Iliffe on Tanzania, and Giovanni Arrighi on Rhodesia, to mention a few.<sup>77</sup> In addition, there are two relevant textbooks – one on the economic history of Africa by Ellen Hillbom and Erik Green including the late colonial era, and one by Leigh Gardner and Tirthankar Roy on colonialism including Africa.<sup>78</sup>

Since the turn of the millennium, African economic history has experienced a revival with a steady increasing in quantitative studies using statistics collected from colonial archives to measure and estimates growth of populations and economies, changes in wages and incomes, governments' taxation and spending and so on. While these studies often attempt to cover as long time periods as possible, the statics commonly become more prevalent and of better quality for the late colonial period. This is a broad and growing literature, much of it focus on the time before WWII, but a few interesting studies addressing also the late colonial era can be mentioned.

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<sup>74</sup> Austen, *African economic history*; Anthony Hopkins, *An Economic History of West Africa* (New York: Columbia University Press, 1973); Iliffe, *Africans*.

<sup>75</sup> Cooper, *Africa since 1940*.

<sup>76</sup> Freund, *The African city*.

<sup>77</sup> Arrighi, *Rhodesia*; Austin, *Labour, land and capital*; Hillbom and Bolt, *Botswana*; Iliffe, *Tanganyika*; King and Zwanenberg, *Kenya and Uganda*; Meade, *Mauritius*.

<sup>78</sup> Hillbom and Green, *An economic history*; Gardner and Roy, *Colonialism*.

**On population** – Patrick Manning re-opened the debate on what we know about the size of the African population and Frankema and Jerven later built on his efforts.<sup>79</sup>

**On economic growth** – knowledge about African long-term economic growth and national accounts have been largely missing until the works of Morten Jerven on re-occurring growth, and Steve Broadberry and Leigh Gardner as well as Morten Jerven on GDP estimates<sup>80</sup>.

**On fiscal capacity** – there are several complementing studies such as a book by Leigh Gardner on fiscal policies in British Africa, an edited volume by Anne Booth and Ewout Frankema with country studies from both Africa and Asia, Denis Cogneau, Yannick Dupraz and Sandrine Mesplé-Somps compares public finances in British and French Africa, and Kleoniki Alexopoulou and Dacil Juif present data on tax capacity in Portuguese Africa.<sup>81</sup>

**On labour and wages** – Stefano Bellucci and Andreas Eckart have edited a comprehensive volume covering African labour history during both the colonial and independence eras. Andreas Eckart and Bill Freund have also published on labour movements and trade unions.<sup>82</sup> Wage developments are an important aspect for understanding labour conditions. Susan Bowden, Blessing Chiripanhura, and Paul Mosley have calculated real wages for unskilled rural workers, while Ewout Frankema and Marlous van Waijenburg have covered both unskilled and skilled workers.<sup>83</sup>

**On inequality** – there are two main approaches to estimating income inequality in the late colonial era. Alvaredo, Atkinson, Cogneau and Piketty use tax records to calculate the share of incomes

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<sup>79</sup> Frankema and Jerven, *Writing history*; Patrick Manning, "African population: projections, 1850–1960", in *The demographics of empire: the colonial order and the creation of knowledge* (Athens, O., 2010).

<sup>80</sup> Broadberry and Gardner, *Economic growth*; Jerven, *The wealth and poverty and African growth recurring*.

<sup>81</sup> Alexopoulou and Juif, *Colonial state formation*; Cogneau, Dupraz and Mesplé-Somps, *African states*; Ewout Frankema and Anne Booth, *Fiscal capacity and the colonial state in Asia and Africa, c. 1850-1960* (Cambridge: Cambridge University Press, 2020); Gardner, *Taxing colonial Africa*.

<sup>82</sup> Stefano Bellucci and Andreas Eckert, eds. *General labour history of Africa: Workers, employers and governments, 20th-21st centuries* (James Currey, 2019); Eckert, Andreas. "Social movements in Africa." *The history of social movements in global perspective: A survey* (2017): 211-224; Freund, *Trade unions*.

<sup>83</sup> Frankema and Van Waijenburg, *Structural impediments and The great convergence*.

controlled by the top (1 or 0.1 percent) earners using tax records<sup>84</sup>. Aboagye, Bigsten, Bolt, De Haas, and Hillbom construct social tables dividing up the whole economically active population in different income groups and calculated between group inequality<sup>85</sup>.

### Primary sources

The data used for the study of the late colonial era comes from a variety of colonial archives, both physical locations outside and within Africa, and as online sources. For the former British colonies there are the Public Records Office in Kew Gardens, various archives and libraries in London such as at the London School of Economics, the School of Oriental and African Studies, the Institute for Commonwealth Studies in the Senate House Library, and the British Online Archives. For the former French colonies, several documents can be found in the Archives Nationales d'Outre-Mer in Aix-en-Provence, which makes many records available in digital format upon request. The Bibliothèque nationale de France in Paris also includes collections of statistical yearbooks and reports. Other series of administrative yearbooks are kept in various archives in France and abroad, such as the federal archives of French West Africa in Dakar. Finally, the French National Library's Gallica service provides online access to several colonial sources. For the former Belgian colonies, the key depository is the Archives Africaines in Brussels, where both colonial archives and administrative yearbooks are kept. For Portuguese Africa, data series can be found in the Biblioteca Nacional de Portugal and in the Arquivo Historico Ultramarino in Lisbon. Moreover, Casa Commun and the Instituto Nacional de

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<sup>84</sup> Facundo Alvaredo, Denis Cogneau and Thomas Piketty, "Income inequality under colonial rule. Evidence from French Algeria, Cameroon, Tunisia, and Vietnam and comparisons with British colonies 1920–1960", *Journal of Development Economics* 152 (2021): 102680; Anthony Atkinson, "The colonial legacy: Income inequality in former British African colonies", WIDER Working Paper no. 2014/045 (2014); Anthony Atkinson, "Top incomes in East Africa before and after independence", World Inequality Lab, WID Working Paper Series no. 201502 (2015).

<sup>85</sup> Aboagye and Bolt, *Winners and losers*; Alfani, Guido and Federico Tadei. "Income Inequality in French West Africa: Building Social Tables for Pre-Independence Senegal and Ivory Coast." UB Economics Working Papers 2019/396 (2019); Arne Bigsten, "Income Distribution and Growth in a Dual Economy: Kenya 1914-1976", Gothenburg University, Department of Economics, Memorandum nr 101 (1987); Bolt and Hillbom, *Lessons learned*; Michiel de Haas, "Reconstructing income inequality in a colonial cash crop economy: five social tables for Uganda, 1925-1965", *European Review of Economic History* 26, no. 2 (2022): 255-283.

Estadística have some digitized documents, and others can be obtained upon request. In the USA there are extensive publications covering the former European empires such as the Library of Congress in Washington DC and the Africanist Section of the UCLA Library in Los Angeles. Finally, the African countries have their own national archives, which contain detailed materials. These African archives are underexplored, especially by European researchers.

While there are similarities between the colonial empires regarding the type of data they were interested in collecting, the quality and types of documentation varied. Commonly the British archives are more comprehensive compared to the French, Belgian and Portuguese. For all colonial administrations, the collection of most types of data tended to gradually expand over time.

### **Further Reading**

Ralph Austen (1987) *African economic history: Internal development and external dependency*, James Currey.

Steve Broadberry and Leigh Gardner (2022) *Economic growth in Sub-Saharan Africa, 1885–2008: Evidence from eight countries. Explorations in Economic History*, 83, 101424.

Denis Cogneau, Yannick Dupraz, and Sandrine Meslé-Somps (2018) "African states and development in historical perspective: Colonial public finances in British and French West" (<https://halshs.archives-ouvertes.fr/halshs-01820209/>)

Frederick Cooper (2019) *Africa since 1940: The past of the present*, Cambridge University Press.

Ewout Frankema and Marlous Van Waijenburg (2014) "Metropolitan blueprints of colonial taxation? Lessons from fiscal capacity building in British and French Africa, c. 1880–1940." *The Journal of African History* 55(3): 371-400.

Ewout Frankema, Erik Green and Ellen Hillbom (2016) "Endogenous processes of colonial settlement. The success and failure of European settler farming in sub-Saharan Africa." *Revista de Historia Economica-Journal of Iberian and Latin American Economic History* 34(2): 237-265.

Bill Freund (2019) "Trade Unions". In *General Labour History of Africa: Workers, Employers and Governments, 20th–21st Centuries* (Eds) Stefano Bellucci and Andreas Eckert, International Labour Organisation.

Leigh Gardner (2012) *Taxing colonial Africa: the political economy of British imperialism*, Oxford University Press.

Leigh Gardner and Tirthankar Roy (2020) *The Economic History of Colonialism*, Bristol University Press.

Ellen Hillbom and Erik Green (2019) *An economic history of development in sub-Saharan Africa: Economic transformations and political changes*, Springer International Publishing.

Hopkins, Antony G. (2019) *An economic history of West Africa*, Routledge.

John Iliffe (2017) *Africans – The history of a continent*, Cambridge University Press.

Morten Jerven (2022) *The Wealth and Poverty of African States: Economic Growth, Living Standards and Taxation since the Late Nineteenth Century*, Cambridge University Press.

Corinna R. Unger (2018) *International development: A postwar history*, Bloomsbury.