Economic nationalism and decolonization: West Africa in comparative perspective[1]

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ABSTRACT

This paper analyzes the phenomenon of economic nationalism as part of the decolonization process in West Africa, especially from the 1930s to the 1950s. It examines the economic thought, policies and practice of both non-state actors (African entrepreneurs and other nationalists) and state actors (the emergent nationalist governments of Ghana and Nigeria during the 1950s). Economic grievances against the colonial state and expatriate firms drove much of the nationalist activities in West Africa during this period. These ranged from unfair allocation of scarce shipping space during World War I to the near exclusion of African exporters and importers by external trade control schemes during World War II. Groups of indigenous private entrepreneurs formed "political enterprises" (trade and banking corporations) in the inter-war period, while self-governing administrations of African nationalists during the 1950s established shipping lines to break the stranglehold of expatriate shipping conferences. The paper concludes by setting the discussion in the comparative context of anti-foreign economic nationalism in the Middle East and other regions of Asia during the nineteenth and twentieth centuries. This makes for a better appreciation of the peculiarities of the processes of decolonization and independence in West Africa.

Introduction

The European colonization of swaths of territories in the Global South over several centuries reached its apogee in Africa between 1850 and 1950. During this period, the acquisition (by force and diplomacy) and administration of the colonies elicited both spontaneous and coordinated reactions from the colonial subjects. In the particular case of West Africa, the Western educated elite constituted the vanguard of political, economic and intellectual responses to various colonial policies (Ayandele, 1966; Coleman, 1971; Olukoju, 2002).

As will be made clear in the rest of this article, economic nationalism was, from the 1930s, a major response to the colonization of West Africa. However, this theme is under-researched in the literature[2] and it is the task of this article to highlight some of the most prominent examples of West African economic nationalism and underscore their significance in a comparative context. The article seeks to demonstrate that, while colonial West Africans sought to achieve economic independence along with political independence, most of the nationalist enterprises remained on a small scale and did not achieve the goal of creating large-scale indigenous enterprises that could effectively compete with, and ultimately supplant, the powerful European banking, shipping and commercial enterprises.

Accordingly, this paper analyzes the phenomenon of economic nationalism as part of the decolonization process in West Africa, especially from the 1930s to the 1950s. It examines the economic thought, policies and practice of both non-state actors (African entrepreneurs and other nationalists) and state actors (the emergent nationalist governments of Ghana and Nigeria during the 1950s). Using the inter-war years, especially the Great Depression, as a turning point, this paper focuses on individual and corporate initiatives in economic decolonization, presaged by Marcus Garvey's schemes of black economic emancipation,[3] and typified by the pan-West African activities of Winifred Tete-Ansa, Herbert Macaulay and Duse Mohammed Ali.[4] It analyzes the shipping and banking schemes of the 1930s–1950s in their immediate and wider contexts. The paper concludes by setting the discussion in the comparative context of anti-foreign economic nationalism in the Middle East and other regions of Asia during the nineteenth and twentieth centuries. This makes for a better appreciation of the peculiarities of the processes of decolonization and independence in the West African context.

The dimensions of economic nationalism

Economic nationalism is an elusive term which has defied a uniform definition. This reality is captured in Pickel's (2003:122) reference to the "historical and empirical diversity of economic nationalisms." Hence, he stressed that "the economic dimensions of specific nationalisms make sense only in the context of a particular national discourse, rather than in the context of general debates on economic theory and policy" (2003:106). Accordingly, he was dismissive of "economism," by which economic nationalism is defined "in strictly economic terms without taking into account historical, political and social factors" (2003:111). Indeed, he contended that economic nationalism

> is not so much about the economy as it is about the nation—the economic dimensions of specific nationalisms make sense only in the context of a

> particular national discourse rather than in the context of general debates on economic theory and policy (2003:122).

In effect, economic nationalism

> can be understood in a narrow sense as a particular program or ideology, such as protectionism, or...in a more inclusive and encompassing sense as those aspects of nationalism that pertain to "the nation's economy" (Pickel, 2003:106).

With reference to its underlying ideology, Shechter (2008:571) pithily describes economic nationalism as "the notion that a nation requires a strong, independent economy to liberate itself and compete with other nations."

In the specific context of British West Africa, which shares some parallels (and contrasts) with contemporary Egypt,[5] economic nationalism was an anti-colonial agenda in which political, cultural and economic strands were intertwined. It was the politicization of economic grievances through programs and schemes of economic self-assertion which had political undertones. West African nationalists conceived of independence from British rule in broader terms than political freedom to include economic and social emancipation. Economic nationalism in colonial territories such as British West Africa thus differed from its variant in sovereign states of Europe and America, which took the form of mercantilism or protectionism in different dispensations and epochs.[6] Accordingly, West African economic nationalism operated largely through the "political enterprises" which African businessmen, who had links to "organized political nationalism," deployed to "build up commercial firms and promote their business through the employment of political arguments, and vice versa" (Harneit-Sievers, 1996:31). A. G. Hopkins, one of the early writers on the subject in the West African context, conceived of it in terms of "the relationship between economic change and political thought" (1966:133) in inter-war Nigeria and the Gold Coast (modern Ghana).

To be sure, this was not peculiar to West Africa, as the alignment of economic and political aspirations on the part of colonized peoples took place in other parts of the Global South from the nineteenth century. In Japan, the economic policies of the Meiji-era leadership was driven by economic nationalism which aimed to reverse the country's political, economic and technological disadvantage vis-à-vis the Western powers under the "unequal treaties" system. In British India, the struggle for self-rule (*swaraj*), even when tied to specific episodes, such as opposition to the partition of Bengal in 1905, the Cotton Excise Duty or the Government of India Act of 1919, was accompanied by economic nationalism. This took the form of a combination of boycott (of British manufactures) and *swadeshi* (the manufacture and patronage of local textiles) in 1905 and *hartals* (closure of business premises) in 1921.[7]

As a political strategy to achieve economic emancipation, economic nationalism has the following features. First, it is not a new phenomenon but is rooted in antiquity, perhaps from the earliest inter-state relations in human history. At any rate, it was manifest in the mercantilism of the European nations during the seventeenth century. Second, economic nationalism is generally a reaction to lopsided or asymmetrical inter-state economic relations, which are resented by the weaker or disadvantaged party. Third, it is, therefore, confrontational in its operations. This is expressed in the expropriation of foreign assets by indigenous elements, which is given legal backing by the state. Fourth, it is not a uniform set of policies but a reflection of the peculiarities of the affected countries. This accounts for variations in its content in different geographical and temporal settings. While global dynamics, such as adverse economic conditions, could drive economic nationalism, its content, method and direction are shaped by local forces, institutions, actors and internal struggles. Fifth, it appears to be most pronounced during periods of economic emergency or adversity, as in the inter-war years, and the post-World War II years of the twentieth century.

Finally, economic nationalism operates through state and non-state actors, depending upon the issues at stake, and also on different levels. Coleman (1971:88) has articulated two levels of its operations: that of the "immediate personal grievances of individuals affected" and "the 'national' level at which the grievances are cast in collective terms." Either way, it entails the formation and deployment of counter-cartels to confront the resented hegemonic party. Coleman explains that individual grievances could be expressed in "uprisings, local boycotts, strikes, protest movements, or even in individual reprisals." Common grievances could lead to the formation of pressure groups, but it requires leadership to translate the catalogue of complaints into a "national" project. Accordingly, the "grievance of the nation subsumes all individual grievances," leading to "a reciprocity of dependence—the national grievance is dependent on individual grievances, but the latter can be completely eliminated only by national liberation" (Coleman, 1971:88-89).

Phases of nationalism in British West Africa

In many parts of the world which had been under foreign rule, nationalism and decolonization represented two sides of the same coin, or a joint enterprise with a common goal: the achievement of political, economic or cultural independence from foreign domination. However, decolonization meant different things to different peoples or groups even in the same colonial context. For the colonial elite in French

West Africa, for example, it was a means of assimilation into the imperial system. The aim of nationalist activity was to secure accommodation or greater participation in the politics of the French Empire, rather than the overthrow of the system. This went along with the assertion of the African personality and revival of African culture in the concept of *négritude*. In the British West African context, three phases may be delineated in the evolution of anti-colonial nationalism after the generally spontaneous and uncoordinated early military resistance movements of the nineteenth and early twentieth centuries.

The first phase of proto-nationalist activity of the late nineteenth and early twentieth centuries witnessed various forms of cultural nationalism. This was essentially the racial and continental phase of African nationalism. Specifically, it was the brain-child of the Westernized African elite, who had suffered discrimination in the colonial civil service, social clubs, Masonic societies and even the Christian Missions. Their cultural nationalism was expressed in the formation of "African churches," African Masonic lodges (such as the "Reformed Ogboni Fraternity" in Nigeria), rejection of foreign (Western) names for indigenous African ones, adoption of indigenous dress styles at the expense of Western attire, translation of the Bible into indigenous languages, and the writing of the histories of indigenous kingdoms and peoples (Ajayi, 1961; Ayandele, 1966; Coleman, 1971:327–328; Olukoju, 1997).

The second phase, the 1910s and 1920s, witnessed the rise of a less cultural and more political type of nationalism, which was pan-West African in focus and orientation. In British West Africa, the Western educated elite, still smarting from the discriminatory practices of the British colonial officials, resorted to creating a pan-West African platform for advancing their own interests as well as those of the peoples of the four colonies of Nigeria, the Gold Coast, Sierra Leone and the Gambia. The formation of the National Congress for British West Africa (NCBWA) at an epochal meeting at its headquarters in Accra (the Gold Coast) in 1920 was the high watermark of this brand of African nationalism. The resolutions passed by the Congress articulated the yearnings of the informed sections of the African population and envisioned a West African regional nationalism as opposed to the later phase of territorial or colony-specific nationalism. This was encapsulated in the demands for a West African university and a West African Parliament, among others.

Significantly, it was from this period that economic grievances were expressed, in addition to the longstanding political and social grouses of the elite and ordinary West African colonial subjects. The NCBWA had an explicitly economic blueprint that clamored for an African corporation—the British West African Association—to break the suffocating grip of expatriate enterprises on the trade and business of the colonies. The proposed corporation or conglomerate was expected to cover a wide array of economic activities: wholesale and retail outlets, produce buying centers and shipping services (Hopkins, 1966:135). West African students, too, formed a regional body, the West African Students Union (WASU), which was active during the inter-war years.

Finally, there was the militant phase from the 1930s to the late 1950s. It was during this period of increasing sociopolitical awareness fostered by expanding educational facilities, the establishment of newspapers and the return of African émigrés from the United States and Europe that some features emerged. First, there was an increasing radicalization, which culminated in outright demands for independence. Second, the period recorded some success in the practical application of economic nationalism, as exemplified by the formation of "political enterprises." Third, there was now a shift to territorial nationalism, as it was clear that independence could only be achieved in the framework of individual colonies, especially as the British, unlike the French, did not administer their West African colonies as a federation.[8]

The "political enterprises" of non-state actors in the 1930s

The 1930s marked a significant departure in the evolution of West African nationalism, especially in the direction of economic nationalism. As Hopkins (1966:135) has noted, prior to World War I, "political organizations in Nigeria and the Gold Coast made little attempt to think out a coherent economic policy." Though economic issues featured intermittently in their protests, they were handled like any other issue without recourse to a practical course of action. This was exemplified by the Aborigines Rights Protection Society, which labored to protect traditional African land rights but "never formulated a dynamic agricultural policy for the land it sought to preserve" (Hopkins, 1966:135). The situation persisted into the 1920s for, though the NCBWA did have an economic policy, that policy was superseded by the constitutional agenda of the Congress. Moreover, there was no concrete plan for its realization. To be fair, its economic thought lay behind the economic nationalist exertions of the late 1920s and early 1930s. The most significant of these was the quest for an African corporation or combine, hinged upon "co-operation" among the colonial subjects. The economic blueprint of the Congress was subsequently implemented in the 1930s, when the Congress itself was slipping into oblivion, in the face of a global depression and unprecedented marginalization of indigenous entrepreneurs in the colonial economy. The recourse to the creation of "political enterprises" (Harneit-Sievers, 1996:30–32) was a decisive turn in the commercial struggles between indigenous and expatriate interests in colonial West Africa.

To understand the struggles which took place in the commercial sector of colonial West African economies, it should be noted that the actors operated within a pyramidal structure. The broad base of that pyramid was composed of the large number of small-scale traders, above which lay a much smaller number of the larger African traders and their Levantine competitors. The apex of the pyramid was occupied by the few large expatriate (European) firms.[9] Previous writers (Harneit-Sievers, 1996; Hopkins, 1964; Olukoju, 2004) who analyzed the conflicts that took place in this structure highlighted the rise and eclipse of "independent" African participants in the commercial sector of the colonial economy in the inter-war years. As a rule, the lower-tier actors (especially, the indigenous traders) mushroomed during the intermittent trade booms—in 1906–1914 and 1918–1920—only to disappear in times of global wars and trade depression (1914–1918, 1920–1922 and 1929–1933). Contemporary newspaper accounts of the post-World War I years lamented the disappearance of the "independent" African trader, especially in Lagos, the commercial hub of West Africa (Hopkins, 1964; Olukoju, 2004). However, it should not be assumed that economic struggles and conflicts, which were acts of economic self-assertion with political undertones, were non-existent during periods of economic "prosperity." Conflicts expectedly took place as various actors scrambled for a greater share of the market and the accruing profits that were generally short-lived. But these were better managed in times of expanding business opportunities (even with the limited opportunities that existed) than when the market shrank in times of global adversity.

The activities of Winifred Tete-Ansa and his associates in Nigeria and the Gold Coast have been well documented (Hopkins, 1966). Tete-Ansa and Herbert Macaulay, the doyen of Nigerian nationalism, were engaged in various schemes of African economic nationalism during the 1930s. This was in the spirit of the ambitious plans of the NCBWA. The commercial and banking enterprises of Tete-Ansa were intended to offer Africans a lifeline in the face of the overwhelming market strength of expatriate firms in the colonial economy. As early as 1928/1929, the beginning of the Great Depression, he had established a trading corporation to ship and market the produce of West African colonies. Tete-Ansa, who had received training in commerce and banking in Europe and America, reasoned that it would take the pooling of resources by African entrepreneurs and the formation of joint stock companies to effectively counter the manipulation of commodity prices by the expatriate combines.

Some issues arise from a consideration of the "political enterprises" of the inter-war period. The first is the economic thought and political motivation that underpinned these efforts. Ideas of African economic independence as part of a broad plan of decolonization and total independence were expressed in private correspondence and in the newspapers (Olukoju, 2002). The promoters of the National Bank of Nigeria, founded in 1933 as a "political enterprise," had declared that: "No people can be respected or regarded as a nation unless it has its own national institutions, and the greatest of all national institutions is the financial institution in the form of a bank" (cited in Harneit-Sievers, 1996:32). In essence, economic nationalism was an explicit plank of (political) decolonization as it was understood. However, for much of this period, the idea of complete independence was not broached—unlike the demand for *purna swaraj* (complete independence) by Indian nationalists as far back as 1928.

Second, the geographical reach of the enterprises was quite extensive. They covered British West Africa (essentially, Nigeria and the Gold Coast—the major produce-exporting colonies) and were aimed at the European and American markets, which were dominated by the expatriate combines. It is significant that, in the spirit of the age, the United Africa Company, too, emerged in 1929/1930 to consolidate its hold on the market.

Third, the scope of the "political enterprises" was not limited to commerce, as they also included manufacturing and newspaper enterprises since the nineteenth century. This was exemplified by the manufacture of soft drinks in Onitsha in 1935 (Harneit-Sievers, 1996:31) and of "booki" cigarettes in mid-1940s Northern Nigeria (Herbert Macaulay Papers [HMP], Box 31, File 10). These initiatives were intended to offer an indigenous alternative to the dominant expatriate firms.[10] "Booki" cigarettes, so-called because they were initially wrapped in newspapers and pages of old books, were manufactured in the Northern Provinces of Nigeria by the indigenous people. By June 1944, their quality had improved considerably from the rudimentary products of previous years so much so that they were acknowledged to be "a real competitor" to the products of the British American Tobacco Company (BATC). Sales of the company's "Bicycle" and "Motor" brands of cigarettes "dropped considerably" under the onslaught of competition from "booki" cigarettes, which were cheaper and quite popular with the people of Funtua, Gusau, Sokoto and Kano, major commercial centers of Northern Nigeria (General Manager, UAC, Kano to Manager, BATC, June 30, 1944, HMP Box 31, File 10). Accordingly, the United Africa Company and the BATC got the colonial government to invoke the Excise Ordinance of 1941 to ban the competing product. Expectedly, Southern Nigerian nationalists railed against this as an example of "how foreign trade succeeds in repressing local production" (HMP, Box 31, File 10).

In a more explicit instance of the political dimension of national economic enterprise under colonialism, the Onitsha-based entrepreneur, who had requested Macaulay to invest in his enterprise, had clothed himself in a patriotic garb as "a Nigerian trying to raise the Commercial Status of my country and to create employment for my fellow countrymen" (cited in Harneit-Sievers, 1996:31). In effect, while personal profit was not denied, the African entrepreneurs tied their commercial initiatives to the greater goal of decolonization. It can also be seen that a territorial identity (Nigerian) was part of the regional (West African) thrust of the economic nationalism of this period.

Fourth, the "political enterprises" provided a platform of action for the elite of the region to work across political and colonial boundaries. Tete-Ansa's schemes were supported by notable Gold Coast and Nigerian politicians, cocoa farmers and businessmen.[11] These included the merchants Candido da Rocha, P. H. Williams, D. A. Taylor, A. A. Oshodi and A. J. Ocansey; cocoa farmers D. T. Sasegbon and R. M. Lamptey; and politicians Herbert Macaulay, Dr. C. C. Adeniyi-Jones, T. A. Doherty, Dr. J. C. Vaughan, J. B. Danquah and Dr. F. V. Nanka-Bruce (Hopkins, 1966:138–139).

Fifth, the economic thought of the political entrepreneurs was cosmopolitan rather than parochial. Contrary to the insinuations in official quarters, possibly informed by the failure of the Garveyite schemes of the inter-war period, the African promoters of these "political enterprises" were neither ignorant nor deluded. Their plans were properly articulated and they drew upon international comparisons, especially Meiji Japan (Olukoju, 2002).

Sixth, the failure of the Tete-Ansa schemes showed that it required more than ambitious plans and blueprints to achieve the goals of economic nationalism and decolonization. Beyond the hostility and conspiracy of expatriate firms, the colonial administration and African rivals,[12] poor financial subscription (even by its vocal backers), managerial incompetence and naivety contributed to the debacle.

Finally, as we shall see below, the idea of "political enterprises" did not die with Tete-Ansa's ill-fated projects. The continuity was exemplified by state and non-state actors establishing commercial associations or firms with the aim of achieving economic decolonization.

The cocoa hold-up crisis of the late 1930s

A widespread perception of collusion between the British colonial government and expatriate firms in depressing producer prices lay behind the celebrated cocoa hold-up crisis in Nigeria and the Gold Coast, especially in 1937–1938 (Alence, 1990–91; Austin, 1988; Milburn, 1970; Olukoju, 2000). The strike had been occasioned by information that the expatriate firms had concluded a secret price agreement designed to fix prices ostensibly to preempt a disastrous fall in commodity prices. It was aimed at curbing "overpayments" to African "middlemen" traders and "abuses" in the commercial system of West Africa. The produce cartel was limited to one export crop (cocoa), and quotas were allocated to exporting firms on the basis of their previous purchases, but those who exceeded their quota would resell to others who had failed to meet up theirs. Profit margins and incidental expenses were fixed to regulate prices.

The leakage of this clandestine deal provoked anger throughout Nigeria and the Gold Coast. The protest was seized by the increasingly radicalized nationalists as proof of a conspiracy by the government and expatriate Big Business against Africans. From the perspective of economic nationalism, it is striking that the moving spirits behind the strike were the produce traders, rather than the cocoa farmers themselves, though this was less true of the Gold Coast. In Nigeria, the organization of the African middlemen, Nigerian Produce Traders Union (NPTU), mobilized farmers and the populace against the agreement. Its energetic organizing secretary, Samuel Akinsanya, organized protest meetings in the Western Nigerian cocoa belt, at which resolutions were passed condemning the agreement. Their activities were generously covered by the nationalist press, the owners of which also had commercial interest in the produce trade. The *Nigerian Daily Times* of January 6, 1938, published a resolution passed by the local branch of the NPTU at Abeokuta that "if it comes to the push the remaining (cocoa) crops should be burnt." Wary of the political and commercial implications of this inflammatory resolution, the colonial government sought to discredit the resolution as the opinion of a "few" elements of the NPTU. It is significant that there were contacts between organizers of the Nigerian and Gold Coast hold-ups. A colonial official reported in January 1938 that Akinsanya had "just returned from the Gold Coast and will doubtless endeavor in his position as a political agitator to bring about a condition of affairs similar to that on the Gold Coast" (National Archives of Nigeria, Ibadan, IBMINAGRIC 14682, Vol. 1, Resident, Ondo Province to Secretary, Southern Provinces (SSP), January 21, 1938).

It is likely, as has been suggested by a colonial official, that Akinsanya was merely bluffing. The NPTU, he explained, "does not possess enough funds to buy and burn the crop; and to persuade the farmers to do it would require far more propaganda than can be carried out this year" (National Archives of Nigeria, Ibadan, IBMINAGRIC 14682, Vol. 1, Acting Resident, Oyo Province to SSP, January 24, 1938). Yet, it should be noted that it was not merely an affair of the "middlemen" traders, for farmers' groups, too, were involved in the agitation, as exemplified by a group, Ondo District Farmers, which denounced the proposed price agreement as not being in their best interests. If it was, they argued, they (the farmers) would have been consulted before the price agreement was concluded! (National Archives of Nigeria, Ibadan, IBMINAGRIC 14682, Vol. 1, Chief Oyegunwa Akinwale [Chairman] and R. A. Ayodeji [Secretary], for the Ondo District Farmers, to the Chief Commissioner, December 30, 1937). Indeed, the Traders and Farmers Union of Ibadan flayed the attempt to exclude African traders from the commercial system of Nigeria. It contested the proposition that the interests of the "middlemen" traders were inimical to those of the farmers. "Our middlemen of today," it contended, "will become the African merchants of tomorrow; no nation can do without its own merchants" (National Archives of Nigeria, Ibadan, IBMINAGRIC 14682, Vol. 1, Traders' and Farmers' Union, Ibadan to Resident, January 19, 1938).

In the final analysis, the Nigerian cocoa hold-up crisis was insignificant compared to its Gold Coast counterpart. The latter was far more successful because the bulk of Gold Coast cocoa was produced by big-time cocoa planters, who had the means to hold up their crop and buy up the produce of small farmers. This contrasted with Nigeria, where the industry was dominated by small-scale farmers who lacked the capacity to hold up their produce and buy up the smaller producers', as was done in the Gold Coast. Moreover, there was close collaboration between the Gold Coast chiefs and big cocoa farmers, though they often happened to be the same set of persons. Hence, the Gold Coast cocoa hold-ups owed their greater success to the superior resources and organizational structure of their organizers (Harneit-Sievers, 1996:32–34; Olukoju, 2000:66–67). Regardless of their differential fortunes, the Nigerian and Gold Coast hold-ups achieved the aim of quashing the price agreement. They also gave fillip to the decolonization of the respective territories, for nationalist organizations, such as the Nigerian Youth Movement, supported the hold-ups.

World War II and after: African business and international trade

The failure of the "political enterprises" of the inter-war period coincided with the increasing marginality of African entrepreneurs in the colonial economy. Their plight was aggravated by the exigencies of World War II. Already, African entrepreneurs faced two great challenges: their "successive displacement … [from] potentially profitable enterprises" and "the extremely high capital requirements" for doing business (Coleman, 1971:85). Consequently, they were aggrieved by their lack of access to bank credit owing to the discriminatory practices of European banks. Coleman asserted that there "can be little doubt that credit, though readily available to Europeans and to the ubiquitous Levantines, was extremely difficult for most Africans to obtain from European banks" (1971:85). Understandably, indigenous banks sprang up to meet the capital requirements of African business. Beginning with the National Bank of Nigeria (NBN), established in 1933, indigenous banking enterprises sprouted especially after World War II. The NBN and other banks founded from 1945 onwards, especially, Agbonmagbe Bank (later known as WEMA Bank) and African Continental Bank, benefited from the post-war boom, which yielded massive bank deposits and floated the banks to solvency. Though these banks were established primarily to fund indigenous business enterprises, they also gave financial support to the nationalist movement in which their sponsors were active players. Expectedly, those banks became beneficiaries of the bulk of government business when the nationalists gained control of the regional governments from the 1950s.

Economic nationalism was also fueled by the disadvantages suffered by African traders in the import and export trade. The takeover of external trade by the colonial authorities as part of their war plans led to the institution of trade controls and cartelization of West African trade. African business enterprises were disadvantaged by the criterion of "past performance" in the allocation of import and export quotas. Consequently, they organized themselves into rival groups—the Nigerian Association of African Importers and Exporters (NAAIE) and the Association of Merchants and Industrialists (AMI)—and competed for the limited allocations to African exporters. An "African Chamber of Commerce" was founded in Calabar in the face of these challenges. It is worth noting that these groups had political links and wider interests. For example, the commercial and political interests which founded the National Bank of Nigeria in 1933 were also represented in the NAAIE (Harneit-Sievers, 1990:46).

Though a number of "federations" of farmers and traders were active during this period, and though labor militancy was manifest in the post-war strikes, they achieved limited success in turning the tide of the marginalization of African commercial interests. But there was increasing collaboration with political organizations that had become vociferous in their demands for political independence from the 1940s. The march toward political independence in the 1950s provided a wider scope for the alignment of economic nationalism and decolonization.

The 1950s and after: The maritime economic nationalism of state actors

A final phase in the evolution of West African economic nationalism was the recourse to maritime economic nationalism. During this phase, the emergent states of Ghana (former Gold Coast) and Nigeria embarked upon the creation of shipping lines to counter the hegemonic European lines, especially Elder Dempster. This was understandable against the background of longstanding discriminatory practices of the foreign shipping lines from as early as World War I (Olukoju, 1992). Though Africans made attempts to enter the shipping business and a few possessed their own ships from the early twentieth century, they did not pose a threat to the overwhelming expatriate dominance of the industry. This was largely because of the high cost of entry, which practically foreclosed significant African participation. Still, some private entrepreneurs attempted to establish an indigenous shipping line to challenge the Conference lines. An initiative led by one Patrick Osoba in collaboration with some Finnish interests initially succeeded in operating on the West Africa–Europe route outside the Conference system in 1958. Ironically, fellow Nigerians, including officials, criticized the enterprise on two grounds. First, they charged that its name, Nigerian Line, was a misnomer since its fleet was owned by the Finnish partners. Second, they stated that the ships were not registered in Nigeria. Not much is known about this line, which appears to have been short-lived. Its apparent failure and the financial weakness of the private sector informed state-led investment in the shipping sector, as had been done by national governments of such East and South Asian countries as Japan, Ceylon (Sri Lanka), South Korea and Singapore (Iheduru, 1996).

Consequently, Ghana (the former Gold Coast) blazed the trail in 1958 by establishing the Black Star Line (BSL) in collaboration with the Zim Line of Israel. Nigeria, on the other hand, established the Nigerian National Shipping Line (NNSL) in 1959 with the assistance of the Elder Dempster Shipping Line (Olukoju, 2003). The Ghanaian project had been nationalistic in two respects: the reliance on Israel, a non-imperial power, and the adoption of the evocative name of Marcus Garvey's defunct shipping line, which struck the right emotional chord and indicated the continuity in African economic nationalism. It is striking that both the BSL and NNSL joined the European-dominated West African Lines Conference that the nationalists had stridently condemned for its discriminatory practices. This is ironic considering the sentiments expressed in justifying the scheme. Chief T. T. Solaru's contribution to the parliamentary debate in the Nigerian legislature captured the mood of the nationalists: "We are tired of these shipping rings ... [and] we do not want shipping lines going on dictating [to] us how much we have to pay to carry our goods" (cited in Leubuscher, 1959:67). Such sentiments were probably forgotten when the NNSL joined the same shipping ring!

However, the economic nationalism of the national governments was also underpinned by the incipient rivalry between Nigeria and Ghana (Iheduru, 1996; Olukoju, 2003). It was suggested by a British official that Nigeria's quest for a national shipping line was partly for national prestige and rivalry with Ghana.[13] He noted that "since Ghana has established its own shipping line, Nigeria will feel impelled by motives of prestige and rivalry to establish one also (if possible bigger and better!)" (cited in Olukoju, 2003:77). While the two countries paid lip service to regional maritime economic nationalism, each pursued purely nationalistic goals.[14] This was clearly manifest in the post-independence port policies, which sought to make the respective national ports the regional load center. Even landlocked countries operated national maritime policies designed to prevent dependence on coastal West African states and to protect their own strategic interests (Iheduru, 1996).

In the final analysis, the maritime economic nationalism of the post-World War II period endured for only two decades and petered out by the 1980s. In both Nigeria and Ghana, the national shipping lines were liquidated by maladministration, state interference and massive corruption. Ironically, these nations had spearheaded the drive for a New International Maritime Order (NIMO), which culminated in the UNCTAD Liner Code of 1974. However, West African countries failed to make the best of the opportunities offered by the Liner Code in their maritime sector regardless of the existence and operations of regional bodies for coordinating shipping and port policies. Internal factors, much more than external forces, ruined the prospects of West African maritime economic nationalism. Rather than pool resources to create one or two viable regional shipping lines that could offer a meaningful challenge to the Conference lines, they chose to dissipate scarce resources in creating unviable rival national lines.[15] This was unlike the Japanese policy of inducing the merger of firms for greater competitiveness (Chida and Davies, 1990).

Conclusion

This paper has examined various dimensions of economic nationalism as a dynamic of decolonization in West Africa between the late 1920s and the late 1950s. The phenomenon had different phases and facets. It was generally racial, continental and West African from the founding of the NCBWA in 1920 to the late 1930s. World War II coincided with the emergence of territorial nationalism, which culminated in the transfer of power in the 1950s and 1960s. However, while economic nationalism was focused on the economic grievances of West African colonial subjects vis-à-vis their European rulers and expatriate entrepreneurs throughout the period, the competing maritime nationalisms of the Gold Coast (Ghana) and Nigeria exemplified a quasi-mercantilist strand of economic nationalism. Moreover, in both instances, economic nationalism was an elite (that is, class) project, either for personal accumulation in business or for elite nationalist prestige in inter-state rivalry.[16]

Whatever success it achieved, West African political entrepreneurship ranked below that of Egypt where, from the 1920s until well after the Revolution of 1952, indigenous industrialists and financiers maintained "a remarkable ideological hegemony over thinking about the economy and its development" (Owen, 1981:9). For they successfully exploited the clamor for indigenous capital to advance their business interests at the expense of industrial workers and big farmers, and even of foreign capital upon which they still depended.[17] West African colonial-era elite economic nationalism also contrasted with South Korean "grassroots economic nationalism" (Pickel, 2003:109) and the Indian *swadeshi*-boycott movements (Bayly, 1986), which involved the mass of the people.

Economic grievances against the colonial state and expatriate firms drove much of the nationalist activities in West Africa of the period under review. Those grievances were longstanding, ranging from unfair allocation of scarce shipping space during World War I to the near-exclusion of African exporters and importers by the external trade control schemes of World War II. While much of the activity was carried out by groups of indigenous private entrepreneurs, who formed "political enterprises," exemplified by the trade and banking corporations of Tete-Ansa and Duse Mohammed Ali in the inter-war period, a similar brand of economic nationalism was manifest in the economic agenda of self-governing administrations of African nationalists, who formed shipping lines to break the stranglehold of expatriate shipping conferences.

In the final analysis, most of the "political enterprises" failed for lack of managerial expertise and sufficient capital, as well as the hostility of the colonial government and expatriate firms. Nevertheless, some of the enterprises succeeded in the meantime, notably the National Bank of Nigeria and the Ghanaian and Nigerian national shipping lines. But all of them collapsed in the 1990s under the weight of mismanagement and corruption. For whatever they were worth, the schemes of economic nationalism were critical to the drive for decolonization during and after the colonial period. But they also illustrated the limits of indigenous entrepreneurship in the context of overt and covert hostility of the combined forces of the colonial state, expatriate firms and global economic dynamics.

West Africa's dismal record of economic nationalism contrasts sharply with the more successful stories of Japan, Singapore, South Korea and, to a much lesser extent, Egypt, which rapidly reversed their political and economic subjugation by (or tutelage under) foreign (especially, Western) powers. The Japanese endured a regime of "unequal treaties" signed with the Western powers between 1854 and 1860 while reconstructing their political economy. A striking illustration of the success of their economic nationalism was the support given to Japanese shipping lines to break the hold of the Peninsular and Oriental (P&O) shipping line on the sea lanes between China and Japan. State support was critical to the victory of Japanese shipping lines in the brutal rate war that culminated in the ouster of P&O from that route (Chida and Davies, 1990). Subsidies, tax holidays, protectionist tariffs and other incentives were complemented by state-enforced mergers of Japanese firms to make them strong enough to defeat foreign competition. In Singapore, similar state-led initiatives ensured the competitiveness of the national shipping line, the Neptune Oriental Line, though official support was not as direct and total as in the Japanese case (Iheduru, 1996).

In effect, nurture capitalism—with judicious and generally minimal state interference—was crucial to the successful economic nationalism of the Asian Tigers. It was also practiced in a slightly different way by the West African nationalist governments of the 1950s, which set up regional conglomerates known as Development Corporations. However, unlike the Asian examples, the state, rather than independent entrepreneurs, ran the corporations, which typically succumbed to the politics of patrimonialism, a resilient characteristic of post-independence African states. If economic nationalism inspired "developmentalism" (Shechter, 2008:576) with tangible impact in Egypt and East Asia, it had a checkered history in colonial and post-independence West Africa.

NOTES

[1] I thank Lynn Schler and Relli Shechter for supplying some important reference material. I gratefully acknowledge comments by them, and by Ruth Ginio and other participants in the Conference at the Ben Gurion University, toward improving the quality of this paper.

[2] Notable exceptions are Coleman (1971), Harneit-Sievers (1996) and Hopkins (1966). This paper offers a wider breadth in temporal and comparative perspectives.

[3] Marcus Garvey's Back-to-Africa movement and the activities of his Universal Negro Improvement Association (UNIA) are well covered in the literature. Of particular significance, as we shall see below, was his Black Star Lines, which was incorporated in 1919 but liquidated in 1927 (see Cronon, 1964; Martin, 1986; Sundiata, 2008).

[4] Duse Mohammed Ali was primarily interested in the newspaper business, though he also ventured into the produce export business, in which he experienced severe reversals. His newspapers were hostile to the European combines, especially Lever's quest for land concessions in West Africa. See Duffield (1969) for details.

[5] The Egyptians, like the West Africans, recognized the pivotal roles of banks, hence the establishment of a wholly Egyptian bank, Bank Misr, in 1920, and the importance of indigenous capitalism engaged in manufacturing (see Owen, 1981:5–8). Shechter asserted that economic nationalism "was part and parcel of national ideology in Egypt from early on, and local industrialization was meant to be its most significant project" (2008:573).

[6] Levi-Faur (1997) contrasts economic nationalism with economic liberalism, and draws parallels between it and mercantilism. But his assertion that, while mercantilism used state power to benefit the elite, economic nationalism did so "to promote national (and therefore much wider) interests" (1997:370) is, however, debatable.

[7] Bayly (1986) demonstrates that *swadeshi* had deeper roots in history. Unlike West Africans, but like Indians, Egyptians too embarked on a combination of boycott and a variant of *swadeshi*. Shechter notes that "From the 1919 Revolution, boycotts of imperial commodities had become part and parcel of the national struggle against foreign dominance" (2008:576).

[8] A short-lived attempt at a semblance of a federation of British West African colonies to coordinate the war effort during World War II was enmeshed in controversy (see Olukoju, 2006).

[9] A. G. Hopkins (1964:44–49) has made a distinction between the small-scale operators, who were generally in the retail business, and the large-scale enterprises, by referring to the former as "traders" and the latter as "merchants." It should be noted that while most of the "merchants" were expatriate (that is, European) traders, a few African and Levantine traders also belonged to that category. Hence, there was no neat coincidence between race and scale of operations.

[10] This paralleled the Egyptian experience. Tal'at Harb, founder of Bank Misr (The Bank of Egypt) personified "the nation's self-advancement through industrialization" and, though his efforts were self-serving, he survives in Egyptian collective memory as "the promoter of Egyptian economic independence" (Shechter, 2008:573).

[11] Curiously, no woman features in the narrative. But there were notable women entrepreneurs, especially in the retail business of large commercial centers, where they were dominant in market traders associations.

[12] It must not be assumed that Tete-Ansa's schemes enjoyed universal African support. In Nigeria, at least, the local political squabbles among the Lagos elite undermined their prospects. Efforts to rescue the tottering enterprises were lauded by pro-Macaulay newspapers (such as the *Lagos Daily News*) but ridiculed by the *Nigerian Pioneer*, for instance, which belonged to a rival political tendency (see Olukoju, 2002).

[13] It is worth noting that maritime nationalism was exhibited even at the sub-national level. The Western Region of Nigeria had sought to establish its own shipping line in competition with both the national and foreign lines! As shipping was on the Exclusive Legislative List, this was most likely a bargaining weapon to wrest some concessions from the Northern Region-dominated Federal Government. See Olukoju (2003) for details.

[14] It is instructive, as Johnson noted, that "nationalism will tend to direct economic policy toward the production of psychic income in the form of national satisfaction, at the expense of material income" (1965:183).

[15] This could have been the result of a too literal and narrowly nationalistic application of Kwame Nkrumah's dictum: "Seek ye first the political kingdom and all other things shall be added to you" (cited in Cooper, 2002:67).

[16] Johnson noted that "nationalist economic policy will tend to foster activities selected for their symbolic value in terms of concepts of 'national identity' and the economic content of nationhood" (1965:183).

[17] It should be noted that, in spite of their group solidarity, there was a divergence of views among Egyptian financiers and industrialists. What held them together, according to Owen, "was not just the belief that Egypt should industrialize, something they shared with an overwhelming majority of nationalist thinkers, but that this process should be the work of local capitalists using local funds" (1981:3).

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