

African Capitalism¹

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THE thirty-six independent African states today face an historic choice. Are they to traverse the long, painful road of capitalism? Or are they to by-pass the stage of full capitalist development and so make possible an easier transition to socialism?

It is obvious that the choice made by the African states is bound up with the question of the different social classes in Africa, of their stage of development, future potential, and relative strengths.

It is sometimes argued that there are "no classes", and "no class struggle" in tropical Africa; or that class differences exist but they are not important. It is admittedly now generally accepted that a considerable class of wage earners already exists in Africa—probably as many as 12-15 million in tropical Africa. Elsewhere I have made some examination of this class.² The question of the growth of African capitalist forces has perhaps not yet received sufficient attention. There are many difficulties for the student here. Much more research is undoubtedly needed, for mere conjecture will not help one to analyse this important development; and the research itself is handicapped by the lack of adequate statistical information. Only now that Africa is winning independence are scientifically-based statistics being compiled—and even here, only a beginning has been possible.

Despite these handicaps, it is necessary to grapple with the problem and to make a tentative examination of this phenomenon. The information already available, although limited and becoming quickly overtaken by new developments, is sufficient to enable one to make a preliminary analysis and to draw some first conclusions. Later information may result in some modifications to what is said here, but I believe that there is already sufficient material to enable one to deduce, in broad outline, the main elements in the growth of indigenous capitalist forces in Africa.

¹ The analysis in this article refers to tropical Africa. Conditions in North Africa are somewhat different.

² See *Africa, the Roots of Revolt* (London, 1960); *Africa, the Lion Awakes* (London, 1961); article in *Problems of Peace and Socialism* (July, 1962—Prague).

Classes in African Society

Some of the misunderstanding which has arisen in the discussions on Africa is a consequence of the non-scientific use of the term "class". This is a problem by no means confined to Africa. Marxists in the Western world, too, have found it necessary to combat the ideas of "new thinkers" who proclaim either that we are "all capitalists" now, or that we are "all workers", or that workers are becoming "middle-class". Lenin defined a social class in scientific terms which have a relevance to all societies and all regions of the world:

"Classes are large groups of people which differ from each other by the place they occupy in a historically definite system of social production, by their relation (in most cases fixed and formulated in laws) to the means of production, by their role in the social organisation of labour, and, consequently, by the dimensions and method of acquiring the share of social wealth that they obtain. Classes are groups of people one of which may appropriate the labour of another owing to the different places they occupy in the definite system of social economy."

(*Selected Works*: Vol. 9, pp. 432/3.)

It is, as Lenin made clear, how people stand in relation to the means of production, which is the key to their class.

From this standpoint, Africa is indeed very complex. Even before the era of twentieth century colonialism, tropical African countries did not in general possess such clear-cut class divisions as, for example, most countries did in Asia, where systems of feudalism had existed over long periods.

Four-hundred years of the European slave trade and of Arab slavery had wrought untold destruction in Africa. It is estimated that over those four centuries Africa lost some 60 million people (some estimates put it higher)—killed in the slave hunts, died on the slave ships, landed across the Atlantic for slave labour. These were Africa's most virile and active forces, her direct forces of production. If, in exchange, Africa had received new, modern methods of technique, not all would have been a loss; but, in exchange for her manpower, Africa received gin, beads and rifles, commodities of absolutely no productive value whatever. Tribe

was turned against tribe in a mad internecine war to earn rifles by selling slaves—for the possession of rifles was essential for one's own protection from falling into slavery, and the traders demanded slaves in return for the rifles. Thus, at a time when Europe was progressing from feudalism to capitalism and making enormous technological advances, Africa, by this same advancing Europe, was being dragged down and her society thrown into temporary stagnation. On the blood and bones of African slavery, European capitalism, and especially that of Britain and France, flourished; new towns arose, inventions were made, factories were built, and Europe laid the basis of her passage to modern industrial development. But at the end of the nineteenth century, Africa, already in a backward economic state, was to suffer yet a further heavy blow; before she could recover from her four hundred years of slavery, the imperialist whirlwind was upon her. Once more her normal development was frustrated, and new distortions were imposed on her economy.

Consequently, Africa entered the present century with no developed capitalist class of its own, with only the barest beginnings of a working class, with pockets of large-scale feudal land-ownership (e.g. Northern Nigeria, Buganda, Ethiopia, Barotseland, Upper Volta, and the northern regions of the French Cameroons), but with the majority of her people still carrying on their subsistence agriculture on their communally owned lands, and still practising their local handicrafts and village industries. Only during the past sixty years, and especially in the past two decades, has Africa begun to emerge from this pattern of development.

It is therefore understandable if the growth of new classes in African society—of workers and capitalists—should not sometimes be given immediate attention or emphasis. In any case, these classes are still in a process of development, and are in no sense mature, clearly defined classes, such as we see in the industrialised West. Workers are usually part-time peasants, and peasants are part-time workers. Differentiation amongst the peasants is often not very far advanced; the private ownership of land is beginning to spread, but no decisive break-up of communal land ownership has yet taken place, and the main tracts of land are still owned by peasant communities. African capitalists still comprise a relatively small group, mainly in farming, trade and land speculation, and have not yet been able to wrest from the imperialist monopolies any substantial portions of the economy for themselves. When one takes into account, too, the ideological influence of the united fight for national independence that has engulfed all African countries without exception, it can more readily be understood why there is often

hesitancy by some African leaders to accept the significance of social classes when considering Africa's present phase of development. But the significance cannot be denied.

Destruction of Traditional Agriculture and Handicrafts

In considering the growth of an African capitalist class, one must remember that a major consequence of the colonial system was the destruction of traditional African agriculture, and of traditional village crafts and industries. This was part of deliberate imperialist policy, in order to create a body of manpower, deprived of its former occupations and methods of subsistence, and so compelled to take up wage labour on European farms and in European-owned mines.

The former self-sufficiency of African economic life, based on subsistence agriculture, handicrafts, village industry and barter trade was destroyed by imperialist seizures of land, the crippling restrictions placed on African agriculture, the imposition of hut and poll taxes, the use of forced labour, and the elimination of many village crafts and industries through competition from imperialist manufactured imports, and as a result of the European monopolisation of the economy within the African territories themselves.

By 1958, the *UN Special Study on Economic Conditions in Non-Self-Governing Territories* could write of Africa:

“In less than half a century the closed system of family economy has broken into pieces under the pressure of circumstances.”

Particularly catastrophic was the change in agriculture. For the majority of African peasants, the colonial system was an absolute disaster. In nearly every territory sixty years of imperialist exploitation were sufficient to plunge them into the most abysmal depths of poverty and misery.

The herding of Africans into the poorest land meant a terrible land shortage which figures alone do not adequately convey. Overstocking and overpopulation were the unavoidable result, coupled with the most intensive exploitation of the soil. The old, traditional African farming method of shifting cultivation, which allowed land to return to grass for considerable periods (a few years at a time) and so regain its fertility, was no longer possible. Instead, in a desperate attempt to provide sufficient food, the peasant was driven to keep his land continually under crop. This exhausted much of the land—and so the crop yield diminished, and the crisis, for man and soil, deepened.

So profound had the agrarian crisis become in many African territories by the early 1950s (as

revealed in the Pim Report for Northern Rhodesia, the Keiskammahock Survey and the Tomlinson Commission in South Africa, the East African Royal Commission on Kenya, Uganda and Tanganyika, and numerous other reports and studies), that the British imperialist authorities, aware that they were standing on the abyss of a complete agrarian breakdown throughout east, central and southern Africa, sought, at a late hour, to shore up the crumbling rural economy and to establish an ally for themselves in the African countryside by encouraging, on a limited scale, the growth of an African capitalist farmer class. To this end, as advocated in the East Africa Royal Commission Report, they strove to introduce individual title to African land in place of the traditional system of communal land tenure. By means of "model farmers", and "Yeomen farmers", and "land consolidation" schemes they introduced measures to settle Africans on small plots of land to which they were given individual title.

Individual Title to Lands

Under the land consolidation scheme introduced into Kenya in the period shortly prior to independence, British imperialism hoped to set up a small class of "kulaks" which would act as a buffer between itself and the mass of impoverished peasants; at the very worst, it calculated, this stratum would act as a drag on revolutionary change even if independence had to be granted. This view was well expressed by a leading member of the East African Section of the London Chamber of Commerce in a speech in London in January 1961, when he declared his belief that the change being wrought in Kenya by the land consolidation and re-settlement scheme was "beginning to create an agricultural middle class of Africans with a vested interest in ordered progress". He added that if time could be gained for this change to spread "there will be thousands of Africans with much to lose by political extremism, and therefore with no sympathy for it".

But the development of individual title to land among Africans, while it will make possible the emergence of a small class of better-off farmers is rapidly producing its corollary, a growing army of poor and often landless peasantry, who crowd into the towns desperately seeking work, or end up doing seasonal work in the newly emerging African farms. In Southern Rhodesia, for example, where Africans are being settled on individual plots of six acres under the Native Land Husbandry Act, Joshua Nkomo, President of the Zimbabwe African People's Union, has pointed out that while this Act "is ostensibly intended to produce a middle-class of small African farmers, holding land in freehold instead of communally . . . so far, its main result has

been to force thousands of Africans off the land—providing a useful float for European enterprise".

Thus all the late efforts of imperialism to encourage individual African farmers growing cash crops for export have produced new problems for the African people. A class differentiation is showing itself markedly amongst the peasantry, a small richer group hiving off at the top, and a mass of impoverished peasants being created down below. A survey carried out in Basutoland in 1950 among 160,500 households on holdings of less than 80 acres, showed almost 7 per cent landless, and a third living on holdings of less than 4 acres. Some 90,000 households had 4 to 15 acres each, and at the top there were 6,740 households with 15 to 80 acres. Above them were a number of chiefs possessing 100-200 acres each.

Differentiation Among Peasantry

In Zambia, where the best land has been taken by the white settlers, differentiation among the African peasants has been taking place. A recent study by A. D. Jones on "Farmers Among the Plateau Tonga" (Seminar at Ibadan, July, 1964, on Social Classes and Elites in Africa), reveals that among the 600 African cultivators in this 100 square miles of maize-producing territory, fifteen are classified as "commercial farmers". These 15 have more land, machinery, implements, labour force, and income than the rest, and are clearly a separate stratum. Between them they own four maize mills, one saw mill, six motor vehicles, three tractors, one wind pump, four stores, one bakery and one petrol pump. The remaining 585 cultivators own only two maize mills between them and none of the other items at all.

In Southern Rhodesia, where the white settler minority holds power and restricts the economic activity of the African majority, it is very difficult for an African capitalist stratum to emerge. Even in agriculture, in which the majority of Africans are engaged, few can arise above the poverty levels of the rest. With a ratio of one African cultivator to every 100 acres worked, the average income is only £14 a year over and above immediate subsistence needs. An article in *The Financial Times* (11th May, 1965), describes the problem of the African peasant cultivator in Southern Rhodesia in these terms:

"Without assistance, the subsistence farmer is unlikely to be able to improve his own situation, since it is scarcely possible for him to save money out of his meagre income for fertilisers and other aids to improve farming. Due to the fact that he cannot offer any security, he is unable to find loans. He is therefore destined to remain a peasant farmer at subsistence level for the rest of his days. . . "

A very small number of African farmers have been able to set up Development Groups, somewhat similar to co-operative societies, in order to pool their meagre savings and thus create an informal credit association to buy in bulk. In 1963-64 nine of these development groups borrowed £15,000 mainly for fertiliser. A year later the number of groups had grown to 38, and they were able to obtain loans totalling £80,000. It is reported that there are now 1,100 farmers operating in the development groups, and that some have incomes in the region of £2,000 a year. This richer handful, however, has to be seen in relation to the scores of thousands *averaging* only £14 a year, some of them receiving even less.

In her study of the Gold Coast cocoa farmers in 1954/5, Polly Hill, on the basis of an analysis carried out amongst co-operative societies in ten different cocoa regions, revealed that 34 farmers reached a net annual income from cocoa of £500 each; 83 were in the £200-£499 range, 98 in the £100-£199 range, and another 542 earning less than £100 (140 of the latter earning less than £50). Those in the £200-£500 group accounted for 20-40 per cent of the total income in most of the ten regions, except in Shia where they accounted for 56 per cent, and in Hwidién where the very big farms, those with incomes over £500, accounted for 80 per cent of the total income. Further differentiation has undoubtedly taken place since then, though statistical evidence is not at present available.

Similar differentiation is taking place in a number of other territories. An agricultural enquiry in Senegal, 1960-1961, where the main crop is groundnuts, shows 127,800 holdings of less than 2 hectares each, totalling only 12 per cent of the cultivated land, while 40,700 holdings, of more than 7 hectares each, totalled 43 per cent of the cultivated land. Right at the bottom of the scale were 63,500 holdings of less than a hectare, covering 33,535 hectares on which worked 134,500 people; and at the top were 2,800 holdings of more than 17 hectares each, covering 77,239 hectares. Even more marked is the growth of a class of African planters in the Ivory Coast, especially in coffee and cocoa. Here, according to Raymond Barbé,³ in the rich region of Bongouanou, 500 of the richest planters possessing more than 12 hectares each of cocoa and coffee, employing at least five wage workers each, and representing about 7 per cent of the total number of planters, produce about a quarter of the entire cocoa and coffee output of the region. For the whole of the Ivory Coast, he estimates about 8,000 to 10,000 planters, owning 10-12 hectares each, and employing at least five wage workers. "Some of them, including

Houphouët-Boigny, political leader and President of the Republic of the Ivory Coast, own more than 100 hectares." It is this stratum of planters, says Barbé, which is able to accumulate sufficient capital to branch out into commerce and transport, and thus establish an African bourgeoisie. This development has been very rapid over the past decade. The emergence of 10,000 better-off African planters in the Ivory Coast has been at the expense of thousands of poor peasants many of whom have ended up as the wage workers on these plantations.

In Liberia, elements of a bourgeoisie have been developing quite rapidly, especially amongst the planters, though these are to be found almost predominantly among what are termed the Americo-Liberians (i.e. descendants of American Negroes who were settled in this State when it was first established), rather than among the original indigenous people, although among the latter, too, a small élite is now emerging. A recent study (*Tribes and Class in Monrovia* by Merran Fraenkel) explains the growth of this Americo-Liberian bourgeoisie, which has accumulated wealth "both because of the direct and indirect emoluments of their (mainly governmental) posts, and because of their income from rubber plantations and investments in land and housing." President Tubman is a typical representative of this planter-class.

Even in a less developed region, such as Dahomey, where the main crop is palm nuts, a third of the proprietors, owning 60 per cent of the land under cultivation, are now employing wage labour. In Cameroun, by 1957, following on the lifting of the previous colonial restrictions on African production of coffee, there were 17,500 African coffee producers, owning 50-60,000 hectares of plantations, and making an average of 100,000 CFA francs each in that year—which is well up to the average in the Ivory Coast. A similar development of differentiation amongst the peasantry, consequent on the breakdown of the old communal land system, the drawing of the African countryside into the market economy, the change-over from communal land ownership to individual title and from subsistence farming to cash crops, can be seen in Uganda, Kenya, and Nigeria.

Imperialism and the Peasants

Thus the effect of sixty years of imperialist exploitation has made significant changes in the face of African agriculture. While elementary forms of feudalism remain widespread (expressed in the power of the chief to allocate land, to expect gifts, to demand labour, to control the native courts), and are sometimes very marked (as in Uganda, Northern Nigeria, and Ethiopia, etc.), the main enemy of the African peasant has been not the feudal landowner but the imperialist, who has robbed him

³ *Les Classes Sociales en Afrique Noire*: Paris, 1964.

of his land, taxed him to the hilt, ruined his subsistence agriculture, limited his participation in the production of cash crops, and so forced him into wage labour in European enterprises. Even those who have been able to break through into the cash crop economy and themselves become employers of African labour, have had to contend with the competition of the European farms and plantations and, even more, with the domination of the market by the big imperialist monopolies which strive to pay the African producer the lowest possible price for his cash crops. Alongside a stratum of better-off African farmers and plantation owners is a vast army of poverty-stricken and often landless peasants, who are compelled to offer themselves up as wage labour in European undertakings and, increasingly in the past ten years, on African-owned farms and enterprises.

The widespread agrarian crisis in Africa, which is a natural consequence of colonial rule, has been to some extent concealed by the migrant labour system. Communal land ownership and subsistence agriculture remains, but it has suffered heavy blows from sixty years of colonialism, and is now under attack from the indigenous capitalist forces which are growing in the African countryside.

Capitalism From Trade

But this is not the only sector of the economy in Africa in which one can note the emergence of an African capitalist class. The origins of an African capitalist class are generally to be found in trade. Long before the arrival of Europeans in Africa, trading had taken place, much of it in the form of barter, the exchange of handicrafts, and sometimes of food. When the Europeans came (and the Arabs) the plunder of men and women, of ivory and gold, became the main form of "trade", the Africans receiving in return only guns and baubles. In time, however, the relations between Europe and Africa began to change. The industrial revolution in Europe increasingly demanded the raw materials of Africa as well as the use of Africa as an outlet for European manufactured goods. This development went ahead first in West Africa where palm-fruit production was already in the hands of Africans and where local trading was already widespread.

"The imported goods given in exchange went into African hands and African markets. The produce-buying companies, gradually extending inland, found Africans to bring the produce in and Africans to distribute the European goods even to the smallest villages."

(*The New Societies of Tropical Africa*: Guy Hunter: Oxford University Press, 1962.)

In East and Central Africa, the lack of an immediate crop for export, and poor transport facilities

compared with West Africa, delayed the emergence of African traders connected with the European market. Much of the trade fell into the hands of the Asians, who later expanded into cotton ginning and sugar plantations. European settlement in east and central Africa meant that they, too, monopolised certain branches of trade.

In the developing towns of Africa, the indigenous trader often had to compete with the *petits blancs*—French and Levantines, Greeks and Pakistanis, Belgians and Portuguese. In West Africa, however, African traders had more opportunity, and with the coming of the lorry at the beginning of the twentieth century, a veritable revolution began to take place in African trading. Now it became possible to carry larger loads over longer distances in a shorter space of time; the interior could be more easily opened up to the trader; the village store could be set up and constantly re-stocked.

"The possession of a lorry became for some Africans a major instrument for multiplying their wealth—a multiplication which was inconceivable for them when their only means of transport had been men and beasts of burden."

(*Les Classes Sociales en Afrique Noire*: Raymond Barbé: Paris 1964.)

During and after the Second World War this process developed still more rapidly. In West Africa, says Guy Hunter:

"from the mass of petty traders and craftsmen, the market women and the wandering Hausamen, there began to appear . . . a group of more substantial Africans in a more modern way of business. These might be the big traders of Accra, Kumasi, Kano, Lagos, Port Harcourt, and Onitsha, trading both in produce and European goods; the building contractors, the owners of fleets and lorries. These were men concerned with bank and credit, wages and customs dues; in many ways they were seeking to become modern men of business. *This was the real start of a transition from the traditional market to the twentieth century sense of commerce.*"

The majority of African traders, to this very day, are still petty traders and part-time traders. In any large African town one can see hundreds, in fact, thousands of small traders, some with a few goods spread on the bare ground, some with a stall, some with a small shop. Kumasi, in Ghana, has 8,000 traders. In the Onitsha covered market in Nigeria there are 3,000 shops. The great majority of African traders are very poor, making a few pennies a day, some more fortunate, making a few shillings. A large number of them are part-time traders, earning a little extra money from their surplus vegetables or from handicrafts. Among them are many women. D. McCall (see *Social Change in Africa*, edited by A. Southall: 1961) describes how in Koforidua, Ghana, he counted in the market "nearly 3,000 sellers on a market day.

This did not include the numbers of women selling at the various crossroads and in the streets". He estimates that "not less than 70 per cent of the adult female population was engaged in selling".

Differentiation Amongst Traders

Some traders sell locally, others act as wholesalers, buying from the foreign importers and, with the aid of their lorries, selling up-country. Some traders in West Africa are also cocoa farmers, who utilise part of their profits from cocoa to launch out into trading, and, conversely, ploughing back some of their trading profits to expand their cocoa production.

From amongst these thousands of African traders a considerable differentiation has taken place. Studies by Peter Garlick of African traders in Kumasi and Accra show that amongst the 150 traders who are the biggest men in Kumasi, a turnover of £5,000 to £20,000 a year was quite common, and a number reached £100,000 a year. Over 60 of these traders (at the time of the enquiry, 1959-60), were doing some direct importing from overseas, and most were employing up to three or four assistants (often relatives), and some were employing more. An analysis of 251 African traders in Ghana by Garlick shows six in the turnover class of £20,000-£25,000 a year, 19 between £25,000 and £50,000, 9 between £50,000 and £75,000, 4 between £75,000 and £100,000, and 6 in the £100,000 to £200,000 class. A further 55 were between £5,000 and £20,000. This means a total of 44 out of 251 who could be classified as rich traders, and a further 55 as middle-size.

African traders are also widespread in East Africa, despite the competition from the Asians who still hold a large share. A Uganda government report shows that in 1953 there were 11,600 African traders. Most of them, however, were poor and probably the bulk were part-time traders. An analysis in 1952 showed that the net annual profit of these Uganda traders was £50 or less each. A small minority of course, have more profitable businesses. Describing the emergence of what he terms a 'kulak' or 'rural exploiter' in Uganda, J. H. Boeke (*International Social Science Bulletin*, 1963) writes:

"They increase their landed property; they change agriculture into a business undertaking based on capital; they enter into share-cropping contracts or farm out their lands; they act as money-lenders and buy up the native market crops; they are traders rather than peasants and shirk manual labour . . . They are gradually usurping the place of the Indians in retail trade."

In Tanzania, the last decade has seen a considerable growth in the number of African traders.

According to *A Survey of Wholesale and Retail Trade in Tanganyika* (Economist Intelligence Unit, London, 1962), there were 36,157 licensed African retailers in 1961, most of them, however, owning shops in the interior, in villages, with very few yet established in the towns or trading centres, where Asian traders still handle the greater part of the trade, even at the retail level. Under the economic plans of the Tanzania Government, there will be a considerable increase in co-operative trading, leading by 1970 to 10 per cent of retail trade and 10 per cent of wholesale trade being handled by the co-operatives. These co-operatives are in the hands of Africans, and the planned expansion of their business will lead to a corresponding decrease in the share at present handled by Asian traders.

In his study on *Road Transport in Nigeria* (1958), E. K. Hawkins says that while foreign transport firms dominate in the freight trade, African firms dominate in passenger traffic and in the carriage of internal trade. The African capitalist, says Hawkins, "has asserted himself, notably in the field of road transport, but also in retail trade, building and contracting". He further notes that "a number of Africans have become prominent" in Nigeria in tyre retreading, woodworking, the supply of building materials and printing.

Similar developments have been noted in the Ivory Coast, in Senegal and Cameroun. J. L. Boutillier, in his study on the Bongouanou region of the Ivory Coast, shows how some of the richer peasants have in the past decade begun to invest their profits outside agriculture, buying cars and lorries, becoming transporters and traders, setting up village stores and sometimes going in for money-lending as well.

A report on Senegal describes how the better-off cultivators are taking up trade, some of them having already given up cultivation in order to live entirely by trading. In Cameroun, the Bamilike are particularly active in trade; in some of the areas where they are heavily concentrated, a quarter of them are occupied in trading. Describing the activities of traders in the cocoa region of the Cameroun, Jacques Binet (*Budgets Familiaux des Planteurs de Cacao au Cameroun*), writes: "The traders represent the wealthy section of the population."

African Industrial Bourgeoisie?

In general, one can say that an African industrial bourgeoisie does not yet exist. Even since the gaining of independence, an industrial capitalist class or stratum has hardly been able to emerge in Africa. In the Ivory Coast, for example, although there has been the emergence of a relatively strong African planter class, and "private enterprise is an article of faith" with the Government (*The Times*,

June 4, 1964), when it comes to a question of manufacturing, most of the private enterprise is foreign. Krupps, Blohorns, Bastos, Astral, Renault, Shell, Bata, SCOA, CSF, and other foreign firms, mainly French, predominate. This domination of industry by foreign monopolies is generally true of most of the 36 African states.

It is certainly the case that no large-scale industrial and factory production is in the hands of African owners. At the same time, a number of small-scale industries, owned by Africans, already exist in a number of territories, and in some cases are steadily growing. A recent study on the *Development of Small Industries in Eastern Nigeria*, prepared for the United States Agency for International Development, estimates that small industry in Eastern Nigeria provides employment for approximately triple the number of people engaged in large-scale manufacture. In fourteen towns surveyed in the Region, 10,728 firms were recorded, employing 28,721 workers—an average of 2.7 per enterprise. This average included the manager/owner and apprentices. Only 332, or 3 per cent of the 10,728 firms employed ten or more people; 55 per cent employed between 6 and 9; and as many as 38 per cent were one-man businesses.

A "case-history" of a Nigerian capitalist was recently provided by the London weekly journal, *West Africa* (May 29, 1965). Describing developments in the Mid-West Region, where "the emphasis is on capitalism", the author selects Chief M. I. Agbontaen as a typical "representative of Mid-West business". A member and prominent financial backer of the then ruling NCNC party, Chief Agbontaen is a director of the British firm, John Holt Rubber Company. But he also has his own enterprises. His firm, Agbontaen Brothers and Company, depends chiefly on exporting rubber and timber, but is also entering industry, with a growing sawmill near Benin, and preparations being made for a rubber processing plant. "In a good year," we are told, "Agbontaen Brothers employ some 300 people, including timber operatives, shipping clerks and domestic rubber workers."

Interestingly enough, Chief Agbontaen started his capitalist career as a trader, travelling by mammy-wagon from Kumasi to Accra, to buy from Indian and Lebanese traders clothing items which he sold in mining districts. Starting on his own, with a suitcase in which he carried his goods, he started to hire carriers for this purpose. Later, he hired people on cycles to purchase rubber from African producers. He was soon selling lorry-loads of rubber to big monopoly firms like the UAC, and the Bata Shoe Company. His timber trade began in a similar way; but, in 1952, he started to export his rubber himself, and later began the same with timber.

The case of Chief Agbontaen illustrates the growth of African capitalists in this Region, commencing as petty traders, then becoming buying agencies in effect for the big foreign monopolies, subsequently emerging as direct exporters on their own, accepting posts as directors of foreign monopolies, and then commencing their own manufactures. One can see, in this process, how interlinked with foreign monopolies are these African capitalists, yet, at the same time, the different points at which they enter into competition with these very firms.

In most African states, sections of the African bourgeoisie played a role in the struggle for independence. Though some trading sections were inclined to cling to imperialism and the colonial system, most sections—farmers, traders, small manufacturers, transport operators, builders—found themselves in conflict with the colonial system which not only exploited and oppressed workers and peasants, but restricted the indigenous capitalist forces. Through their participation in the national liberation movement, sections of the African bourgeoisie came to hold an important position in the new governments and state administrations set up after independence. In some cases, as in the Ivory Coast, the African planter class holds a key position in the new State. In Nigeria, farming, trading and manufacturing bourgeoisie, in alliance with feudal landlords, became the dominant political power after independence.

African Bourgeoisie After Independence

In the majority of cases, the older capitalist sections have been joined by a new bureaucratic bourgeoisie, a stratum of career politicians—lawyers civil servants, and other petty-bourgeois sections (sometimes sons of landowners, traders, and richer farmers)—who utilise their new governmental and state positions to acquire wealth and economic position. Often, it is this new bureaucratic bourgeoisie which wields state power, sometimes in alliance with external imperialist forces. In his recent book, *Classes and Class Ideology in Senegal*, Mahjemout Diop, General Secretary of the African Independence Party, argues that it is this bureaucratic bourgeoisie, numbering over a thousand, which has usurped political power in Senegal and is acting as an agency of neo-colonialism. The trading bourgeoisie in Senegal, says M. Diop, is negligible, and its income puts it rather in the category of a petty-bourgeoisie. African manufacture, in 1961, owned only 15 out of 320 enterprises in the country. Thus it is the new bureaucratic bourgeoisie which is the main obstacle to Senegal's advance. "The bureaucratic bourgeoisie are the weeds on the fields of the nation," declares M. Diop. "If our people want to

live and survive they must uproot them from our native soil.”

The struggle in Senegal has become increasingly sharp, with growing sections of the people striving to bring about a change. Most opposition parties have become suppressed, and leaders exiled or imprisoned. Strikes and bloody demonstrations have shaken the capital, Dakar. In a number of other territories—Dahomey, Congo (Brazzaville), Nigeria—dissatisfaction with the rule of sections of the bourgeoisie who collaborate with imperialism and internal reaction has led to mass expressions of deep anger. In the first two cases, the governments were overthrown in 1963, and in the case of Nigeria a major strike of a million workers, lasting two weeks, revealed the growing gap between the people and their new rulers. It was this mass discontent that was the basic cause of the overthrow of the Nigerian Federal and Regional Governments at the beginning of this year. It was also a contributing factor to the *coup* against the Government in Upper Volta.

In those new African states which are ruled solely by sections of the African bourgeoisie, there is an open and obvious attempt to follow a capitalist path, to rely mainly on the growth of indigenous capitalist forces. Addressing the National Assembly of the Central African Republic on October 16, 1961, the President, David Dacko, declared himself in favour of “a Central African bourgeoisie. That’s what we have decided, because we think that that’s what the future of our country will be. And I say to this Central African élite which is daily growing before our eyes: don’t be ashamed to be bourgeois, don’t be ashamed to become wealthy. . . .”

“Bringing In” the Africans

Such conceptions are naturally encouraged by the imperialists who understand that such bourgeois forces can become a prop for continued imperialist exploitation. One important tactic of neo-colonialism which will influence the position of the African capitalist class is the drawing in trading or bureaucratic capitalist sections into the apparatus and network of the big monopolies themselves. Thus the big imperialist trading companies, such as the UAC (United Africa Company), the SCOA (Société Commerciale de l’Ouest Africain), and CFAO (Compagnie Française de l’Afrique Occidentale), as well as Cie du Niger Français, the main subsidiary of the UAC in the former French territories in West Africa, the United Africa Company in former British territories, Barclays Bank and other major companies, have deemed it necessary to “bring in” the African, in some cases offering managerial posts to Africans, or even directorships, sometimes combining this with abandoning a large sector of trade, especially in raw materials and traditional consumer

imports, to the African trader. The African traders are still, to a considerable extent, merely agents of the big European monopolies from whom the goods for sale are imported, and to whom, in the last resort, the raw materials produced in Africa are sold. But in general, the new situation has favoured a further expansion and enrichment of the African trader, especially the bigger ones who are already well-placed to take advantage of the new possibilities.

This process of bringing Africans into European monopolies has not been confined to big trading firms. In Congo (Leopoldville), the giant Union Minière company took a decision at its May 1965 annual general meeting to elect four Congolese to the Board of Directors. The four were Antoine Mwenda-Munongo, the grand chief of the Bayeke people and half-brother of the then Minister of the Interior; Thomas Lumanga, chief of the Lunda people and a brother of Tshombe; Cyrille Nzau, who was a member of President Kasavubu’s Cabinet; and Boniface Mwepu, the first mayor of Elizabethville and a career civil servant. Officially, these four were the nominees of the Congolese Government.

The imperialists, in adjusting themselves to the new situation, are not only concerned with economic questions. They also hope, as Barbé has stressed, that in return for making economic concessions to the African capitalists, the latter will “in return, assure them political support in the different countries”.

In Guinea and Mali

In Guinea and Mali, by way of contrast, the Government has kept a close rein on the African traders, rightly regarding them as a base for reaction and counter-revolution. In Guinea, the struggle between the masses and more forward-looking democrats on the one hand, and the trading bourgeoisie on the other, has been a major source of tension over the past few years. In 1962, Sékou Touré had to appeal for “revolutionary firmness” against the “trading bourgeoisie”. The warning was clearly necessary for, in 1963, when the Government introduced a 10 per cent tax on all sales, a number of traders went on strike. Sékou Touré, in a message to the branches and committees of the Democratic Party of Guinea (PDG), demanded: “The traders must open their shops, or close them for good.” The dangerous role of the trading bourgeoisie in Guinea has been noted on many occasions by Sékou Touré, who has characterised it as “the base of all subversive, deviationist and counter-revolutionary activities”.

Of special significance, in this respect, were the decisions taken in November, 1964, at the extraordinary joint session of the National Assembly and the National Council of the Revolution of the

Guinean Republic, which have restored to the state its exclusive monopoly over foreign trade (this had been partially relaxed in 1963), and introduced a number of restrictions against the trading bourgeoisie. A Presidential Decree of November 1964 prohibited all employees in state enterprises from engaging in illegal commercial activities, and ordered them to stop their lucrative activity or be removed from their offices. An editorial in *Horoya*, the official paper of the Guinea Democratic Party, warned against the "slaves of money" whom it denounced as "enemies of the people", a neo-bourgeoisie. In his speech to the extraordinary joint session (November 19, 1964) Sékou Touré declared:

"The fruits of the revolution were seriously threatened by the shameless and disruptive behaviour of dishonest profiteers of revolution."

A number of senior functionaries, he revealed, employed in state-run companies, especially in trade and transport, had been engaged in all kinds of embezzlement.

Among the new reforms introduced by the Guinea Government at the end of 1964 to curb the activities of the merchants and profiteers were a reduction in the number of merchants to the necessary minimum; greater reprisals against smugglers, profiteers and illegal currency dealers; a purge of corrupt elements in the state administration; the setting up of a special commission to check and confiscate property dishonestly acquired since 1958; and the barring of merchants from executive positions in the Party. At the beginning of 1965, a decision from the Political Bureau of the Party carried the battle against the speculators and black-marketeers a stage further, by a proposition to give more support to the co-operatives to prevent the re-appearance of outlawed traders, to tighten control by the government over all shops, and to increase anti-smuggling patrols.

President Sékou Touré has made it abundantly clear that these capitalist elements in Guinea are not simply an economic obstacle to Guinea's advance. These elements, he has said, are "a primary form of the society of exploiting capitalism, which is a natural ally of imperialism and neo-colonialism". Thus, the leaders of Guinea have recognised that to give licence to such a stratum would endanger national sovereignty, hamper economic progress, and prevent Guinea's advance. "Our path," declared Sékou Touré to the Sixth Congress of the Democratic Party in December 1962, "is the path of non-capitalist development. We shall not swerve off this path, because it is the only one ensuring the interests of all society and relieving every man of the injustice that is characteristic of the relations of the exploitation of man by man."

In Mali there has been little scope for indigenous capitalist development. Explaining the decision of Mali's leaders to choose socialism rather than capitalism, Kenneth W. Grundy, (*African Socialism*, California, 1964), writes:

"The fact is, capitalism has never been a relevant alternative for this vast, landlocked territory. What little capitalism Malians have known has been predominantly French-owned commercial enterprises. The pre-independence *économie de traité* (trade economy) was the antithesis of competitive capitalism found in Europe. Under the colonial system foreign trading companies purchased local agricultural products at the lowest possible prices and sold them to be processed in Europe and America. In return they imported and sold in the country a few manufactured items at inflated prices. The economic development of the African country was regarded as an adjunct of the metropolitan economy to be exploited for the profit of the European trading companies, who usually enjoyed preferred or monopolistic conditions. It was only natural, therefore, that Malian leaders should look at the system through the other end of the telescope. Since they associated capitalism with the hated colonial economic structure, it was never really considered as a live possibility, much less a desirable objective, for independent Mali. In line with the general desire for economic independence and 'decolonization' the capitalist system which accompanied the colonial regime was to be supplanted by an African economic system, run by Africans, for the benefit of the indigenous masses."

At the time of winning independence, Mali had very little capital in the country. The official 1959 per capita annual income was \$52. The only thing approximating to a capitalist stratum was the section of petty traders in the commercial centres. The economic position of this section has been undermined by the early decision of the Mali government to set up SOMIEX (the Société Malienne d'Importation et d'Exportation), which meant the institution of a state monopoly in domestic and foreign trade. Significantly, when the *franc Malien* was introduced in July 1962, it was the merchants who demonstrated against the government, compelling the authorities to take severe counter-measures in reply.

Ghana

In Ghana, in recent years, there has been a considerable sharpening of the struggle between the most forward sections who wanted to press forward along a non-capitalist path and open the way to socialism, and those trading and bureaucratic capitalist elements who wished to be the main beneficiaries of independence and to drag their countries along a capitalist road. As early as 1961, the Ghana Government, in its White Paper, *Statement by the Government on the Recent Conspiracy*,

found it necessary to point a finger at the new potential bourgeoisie which, in alliance with imperialism, was sabotaging the development of the country:

“Colonialism was responsible for producing a small reactionary Ghanaian élite drawn from the professional classes and the agents and senior employees of the great Merchant houses and educated to look at every social problem from an essentially colonial standpoint. They hoped on independence to step into the shoes of the former colonial rulers, but they had no intention of altering the social system which they hoped to inherit.”

This nascent bourgeoisie was not only to be found in the so-called “Opposition”, but was even found within the CPP itself, and among the Ministers. In his famous “Dawn Broadcast”, April 8, 1961, President Nkrumah castigated the new bourgeois elements in Ghana society, who were utilising their state positions to enrich themselves at the expense of national development and the people’s interests.

Writing in *The Spark*, a Ghana weekly (November 27, 1964), Obotan Awuku pointed out that local traders in many cases are “helping to perpetuate colonialism since their interests coincide with the interests of the capitalists. It is the height of neo-colonialism.” Developing his criticism of this section of the local bourgeoisie, Obotan Awuku writes:

“Some local entrepreneurs with greater flair for capitalist ventures tie up with foreign capitalists in unequal and disadvantageous partnerships in the establishment of productive ventures. By reason of experience, capital or other economic considerations, however, they turn out to be mere tools in the hands of capitalist adventurers. They operate businesses which by their labels appear to be indigenous but which are in reality entirely owned by foreigners. There have been several instances of this, even of ministers and men in high places having deals with foreign capitalist adventurers.”

In his Easter message to the nation, April, 1965, President Nkrumah once again found it necessary to attack sharply those capitalist elements in Ghana which were lining their own pockets at the expense of the state and the national economy.

Some people “in positions of trust”, he declared, have allowed themselves “to be lured into business speculation and profit seeking”, and have handed over “lucrative but nefarious trade to . . . relations, wives and friends.” Announcing the setting up of a special inquiry and the establishment of special machinery within the Ministry of Internal Trade to combat racketeering, profiteering and illegal dealings in retail and wholesale trade in consumer goods, the President declared:

“Let us all resolve to wage a relentless war against all those engaged in the dirty game of extorting wealth from the workers and the masses. *We must*

smoke out these hoarders and profiteers from the holes of their illegal warehouses.”

President Nkrumah’s correct intention to “smoke out the hoarders and profiteers” did not succeed. The developing bourgeois elements, who had been allowed to enrich themselves in the past decade, had no intention of seeing Ghana travel the non-capitalist road. Reactionary elements in Ghana society, backed by foreign imperialism, and taking advantage of the failures of the Government, including its very failure to curb the nascent capitalist class whose greed and ostentation was arousing the disgust and anger of the whole people, reached out and struck down President Nkrumah’s government and the CPP. A number of corrupt Ministers are among those arrested, but the real targets of the plotters are the most militant and progressive personalities in the CPP. The aim of the coup is not to eliminate corruption but to swing Ghana away from the non-capitalist path, and turn her into an ally of neo-colonialism.

Conclusions

In conclusion one can make the following remarks:

(1) Even before the winning of national independence, a stratum of African capitalists—mainly engaged in *trading, transport and farming*—was beginning to emerge in most African states.

(2) Though dependent on the big foreign monopolies (who were either purchasers of the peasant produce, or suppliers of the goods for sale by African traders), some sections of these African capitalists participated in the national movements. This helps to explain why it was possible for them, after independence, to emerge in a number of cases as the new rulers.

(3) Since the winning of independence, *a national bourgeoisie, interested in industrial development and the growth of the economy*, has begun to emerge in some instances. This section plays a progressive role, since it does not wish to see the national economy remain in the grip of imperialism. It has therefore thrown in its lot with the majority of the people who are struggling for economic independence and economic advance. The national bourgeoisie in Africa, that is to say that section of the bourgeoisie which is genuinely interested in national independence, national economic growth, the expansion of the internal market, and the creation of national industry, faces very great problems. Generally, it is economically weak, lacks capital, as well as managerial experience and knowledge as regards modern factory production, and has no body of skilled African workers and technicians ready at hand. For these reasons, it is in no position at this stage to initiate large-scale factory production

itself—and, understandably is often reluctant to even try. But, since it desires to see economic expansion and a growth in national production, it understands the need for and supports the idea of the state itself taking the necessary steps to create new national industries. It is this forward-looking section of the bourgeoisie in Africa which, in alliance with the working class, the peasants, and revolutionary democrats, is resisting imperialism and struggling against the intrigues of the compromising sections of the bourgeoisie.

(4) In the most progressive states, the economic and political power of the *trading bourgeoisie* is being weakened by State economic measures (the setting up of state trading agencies, fiscal and tax measures, etc.), and this is leading to a sharp struggle with these elements since what is basically involved is the whole question of breaking decisively with imperialism, taking a non-capitalist path of development and opening the way to socialism.

(5) On the land, while there is in many cases a significant growth of co-operatives, there is also a *considerable differentiation taking place within the peasantry* practically in every state, with the emergence of a small but clearly defined capitalist stratum which exploits African wage labour.

(6) The setting up of new States and new governments has meant the emergence of a stratum of *bureaucratic capitalists*, which, when linked to imperialism, acts as its neo-colonialist agency. This stratum is sometimes in alliance with feudal forces, and usually with other sections of the African bourgeoisie, especially traders.

(7) This total process has resulted in the establishment not simply of sections of capitalists but of what can now be regarded in some African countries as a *definite capitalist class*, with common class interests expressed in its control of a political party, its domination over the state and government, and the growing cohesiveness of its economic and political power. In no case can one say that this process has reached an advanced stage, but it would be equally wrong not to note the tendency.

Class Struggle Sharpens

(8) In all African states, both those which are under progressive leaderships and are cutting away from imperialism, and those which are under reactionary capitalist sections clinging to imperialism *the internal class struggle is sharpening*. In reactionary states it takes the form of open class battles (strikes, demonstrations and even the overthrow of governments), ranging from simple economic demands over wages, prices, etc., to the challenging of the whole direction of government policy. In the advanced states, it takes the form of economic and political resistance by the reactionary capitalist sections to the steps of the government and state which are

aimed at the further unfolding of the national democratic revolution. In some cases, this resistance by the reactionary capitalist sections, acting in concert with imperialism, has been successful in overthrowing progressive governments, as in Ghana. Similar plots have been tried in Guinea and Congo (Brazzaville). The neo-colonialist counter-offensive which is now raging in Africa is based on an alliance between imperialism and indigenous capitalist elements in Africa who have a common interest in preventing African states from taking a non-capitalist path which would open the road to socialism.

Basically, in all cases, the struggle is waged around the question: "Which direction after independence?" *Africa's battle to take a non-capitalist path of development has now begun*. In this battle, the national bourgeoisie can still play a progressive role; but other bureaucratic and trading sections will undoubtedly resist, and further sharp conflict with them is inevitable.

The above are only some preliminary ideas on the question of the African capitalist class. More research is needed and, in time, more statistical information will become available. It is possible that later examination, aided by more factual material and modified in the light of further experience, will lead to some re-examination of the ideas expressed here. Raymond Barbé (*Les Classes Sociales en Afrique Noire*), Mahjemout Diop (*Classes and Class Ideology in Senegal*), Jean Suret-Canale (in his books and studies on Africa), and the late Professor I. I. Potekhin (in his numerous essays and monographs) have provided an essential basis for such further study. Let us hope that others will take up this important work.

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