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'PAWNS WILL LIVE WHEN SLAVES IS APT TO DYE': CREDIT, SLAVING AND PAWNSHIP AT OLD CALABAR IN THE ERA OF THE SLAVE TRADE

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'PAWNS WILL LIVE WHEN SLAVES IS APT TO DYE': CREDIT, SLAVING AND PAWNSHIP AT OLD CALABAR IN THE ERA OF THE SLAVE TRADE'

Paul E. Lovejoy and David Richardson

Stimulated by Adam Smith's claim in 1776 that the `greater part of the exportation and coasting trade of America is carried on by the capital of merchants who reside in Great Britain',[1] various scholars have been attracted to the study of the role of European capital in funding expansion in the Americas in the colonial period and beyond. One of the most important recent contributions to this scholarly discourse came in 1991 when Jacob Price highlighted the critical role played by European credit in facilitating the development and expansion of slavery and slave-based agriculture in the Americas before 1800. Price's analysis largely centred on the British West Indian and mainland North American colonies and on credit arrangements in the slave trade. Since the purchase of slaves was a major cost in establishing plantations and payment for them depended on the anticipated stream of income from their labour, planters naturally looked for credit from suppliers of slaves when seeking to purchase them. In the late seventeenth century the Royal African Company supplied most of this credit and in the process encumbered itself with a large burden of colonial debts which proved difficult to recover. After the ending in 1698 of the company's monopoly of Britain's trade to Africa, the task of supplying credit to planters passed to the private merchants who succeeded it. In their efforts to control and manage credit before 1750, such merchants appear to have relied heavily on personal ties with the commission agents who handled slave sales in the colonies. But after 1750 commission agents typically became more closely tied with London commercial houses who guaranteed bills of exchange drawn by their agents in favour of the merchants whose ships carried slaves from Africa. As these bills often had 12 months or more to run before they matured and most payments

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[1]Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations* (London, Routledge edition, 1900), 282.

for slaves were made in bills, London houses thus maintained a vital line of credit for slave purchases in the colonies that may have reached several million pounds a year in the late eighteenth century. As Price remarks, one may conceive of a slave trade `conducted entirely for cash, but it would undoubtedly have been a much smaller trade' than it actually was.[2] In short, the existence of cash substitutes *must* potentially have increased the volume of the slave trade.

The number of slaves shipped from Africa to the Americas rose from around 30,000 a year in the late seventeenth century to nearly 80,000 a year a century later. Recent studies suggest that the expansion of slave exports that occurred in this period depended on the extension inland of slave catchment areas in regions such as the Gold Coast, Slave Coast, Bight of Biafra, and Angola which were already substantial exporters of slaves by 1700 and the opening up of new sources of slaves, notably along the coast between the Gambia and the Gold Coast and further east at Cameroons, Gabon, and the northern Angolan (or Loango) coast.[3] Thus, just as European demand for raw cotton in the nineteenth century helped to trigger westward expansion in the United States, so expanding frontiers of plantation agriculture in the Americas before 1800 stimulated the widening of slaving frontiers within Africa.[4]

It has long been acknowledged that the opening up and commercial development of uncultivated land in the Americas depended on inflows of capital from other regions.[5]

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[2]Jacob M. Price, `Credit in the Slave Trade and Plantation Economies', in Barbara L. Solow (ed.), *Slavery and the Rise of the Atlantic System* (Cambridge, 1991), 335-36.

[3]David Richardson, `Slave Exports from West and West-Central Africa, 1700-1810: New Estimates of Volume and Distribution', *Journal of African History*, 30 (1989) 17.

[4]On the relationship between westward expansion and export demand for cotton, see D.C. North, *The Economic Growth of the United States 1790-1860* (New York, 1966).

[5]D.C. North, `International Capital Flows and the Development of the American West', *Journal of Economic History*, XVII (1956), 493-505.

But the way in which expanding frontiers of slaving activity in Africa were financed has attracted rather less attention from historians. This reflects, in part, a lack of information about the mechanics of slave supply in Africa. It probably also reflects, however, a belief that the costs of producing and moving slaves was low. The fact that slaves were self-propelled and could carry other goods on their march to the coast perhaps lends some weight to this belief. Nevertheless, when allowance is made for the death of slaves and other wastage, levies on trade, and other costs, moving slaves was far from inexpensive. Moreover, as Curtin has suggested, it probably also cost `a great deal to hold them for the market'.[6] Calculations by Curtin suggest that `in an ordinary year' storage or holding costs alone could amount to `about half the purchase price' of slaves in Senegambia.[7] Estimates of the cost of moving and holding slaves in other regions have yet to be made, but it is likely that as frontiers of slaving activity extended inland, reaching 150-200 miles or more in some places, such costs were increasingly burdensome for African merchants.[8] Significantly, perhaps, mark-ups on slave prices between far-interior and coastal markets were at least 200 per cent by the end of the eighteenth century.[9]

Some of the costs associated with generating slaves from previously unexploited sources were no doubt borne by participants in established commercial networks in West and West-Central Africa. In West Africa in particular, these often included Muslim networks, which were also involved in financing internal trades in kola, salt, textiles,

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[6]P.D. Curtin, *Economic Change in Precolonial Africa: Senegambia in the Era of the Slave Trade* (Madison, 1975), 169.

[7]Ibid.

[8]J.C. Miller, *Way of Death* (Madison, 1988), 189-95.

[9]P.D. Curtin, *Economic Change in Precolonial Africa: Supplementary Evidence* (Madison, 1975), 49; Paul E. Lovejoy and David Richardson, `Competing Markets for Male and Female Slaves: Prices in the Interior of West Africa, 1780-1850', *International Journal of African Historical Studies*, 28 (1995), 281.

leather and other goods.[10] For the trans-Atlantic slave trade, however, credit supplied by European traders underpinned the development and expansion of the slave catchment areas along the Atlantic coast. Thus Miller has argued that `the European ability to advance goods' was at `the core of the complex forces that fuelled the transport and distribution sectors of western central Africa's eighteenth century political economy', with credit inflows underwriting `the rise of new African trading regimes'.[11] Similarly, the chartered companies that dominated European trade with Africa before 1700 are said to have been `an important source of credit to political officers, brokers, merchants, and others' at the Gold Coast. In the Bight of Biafra, trade was sustained by goods `given on credit' to coastal merchants and their inland partners by European traders.[12] According to Latham, after 1750, the Efik traders of Old Calabar received `large sums' of credit from Europeans, the latter `expecting slaves in return'.[13] Overall, there appears to be a consensus that to satisfy external demand for slaves African merchants relied heavily on credit or working capital supplied by Europeans.

Despite these observations, we still know very little about the amount, length, and cost of credit advanced by Europeans to African slave suppliers. As Price suggests, in comparison with the Americas, the amount of credit advanced in Africa was probably modest.[14] According to Kea, `debts standing out' at Cape Coast Castle in 1701 totalled

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[10]Paul E. Lovejoy, *Caravans of Kola: the Hausa Kola Trade 1700-1900* (Zaria, 1980).

[11]Miller, *Way of Death*, 187.

[12]Ray A Kea, *Settlements, Trade and Politics in the Seventeenth-Century Gold Coast* (Baltimore), (1982), 239; K.O. Dike and Felicia Ekejiuba, *The Aro of South-Eastern Nigeria, 1650-1980* (Ibadan, 1990), 243.

[13]A.J.H. Latham, *Old Calabar 1600-1891: the Impact of the International Economy upon a Traditional Society* (Oxford, 1973), 28.

[14]Price, `Credit', 300.

some 565,500 dambas in gold, or less than £7,000 sterling.[15] Even in relatively good years, the Royal African Company appears to have had only small debts owing at James Fort as well. According to Curtin, the Company was never owed more than £3,500 at any time in 1735-41, a trivial sum compared to the debts accumulated by the Company in the Americas before 1700.[16] However, it should be noted that by the 1730s Gambia supplied relatively few slaves to the Atlantic trade; all but a few of the slaves exported from the region were shipped by private traders.

Whatever the absolute amounts of credit advanced by Europeans in Africa and even though less than in the Americas, credit was just as important in facilitating the seizure and movement to market of slaves in Africa as it was in fostering the clearance and cultivation of land in the Americas. Lower absolute amounts probably simply reflect the fact that it took less time and fewer resources to produce in Africa the slaves necessary to clear debts than it took to produce the crops in America to do the same. Hence, to extend Price's argument to the African coast, the level of slave shipments from Africa would almost certainly have been much lower than it was without the provision of credit by Europeans to African dealers.

As a contribution to the study of credit arrangements along the Atlantic seaboard of pre-colonial Africa, we shall focus on the slave trade of Old Calabar in the Bight of Biafra. In the two centuries after 1660, The Bight of Biafra was the third most important source of slaves in Africa after the Slave Coast and Angola. It appears that some 1.65 million slaves were shipped from the region in 1662-1867, with the peak of shipments occurring in the late eighteenth century when 15-20,000 slaves a year are estimated to

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[15]Kea, *Settlements*, 240.

[16]Curtin, *Senegambia*, 303-4.

have embarked for the Americas.[17] The vast majority of those shipped before 1807 were carried on British ships, with merchants at Bristol and Liverpool being particularly attracted to the region.[18] Appropriately, much of our evidence on credit arrangements in the slave trade of Old Calabar comes from British sources and refers to the period from 1760 to 1807, when slave shipments from the port were at their height.

The remainder of this article falls into four sections. In section I we attempt to establish the amount and duration of credit obtained by African slave dealers, paying particular attention to the late eighteenth century. In section II we outline some recent theoretical approaches to the study of exchange activities and to the institutional and social arrangements that accompany them. In Section III we explore the social relations between slave sellers and buyers at Old Calabar in the late eighteenth century, while in section IV we discuss the institutional arrangements that developed in the region to limit the exposure of credit suppliers to risks of default on payment of debts by African slave dealers. Section V presents some conclusions on the nature of credit in cross-cultural trade at the interface of distinct commercial networks.

The precise amount of credit advanced by Europeans to African slave dealers at Old Calabar will never be known. Latham suggests that little credit was likely offered by Europeans in the `uncertain conditions' that prevailed at Old Calabar before 1700, but that credit became more available as `trading relations' between Africans and

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[17]David Eltis, `The Volume and African Origins of the British Slave Trade before 1714', *Cahiers d'Etudes Africaines*, XXXV, nos.2-3 (1995), 620 (for figures before 1700): Richardson, `Slave Exports', 17 (for 1700-1809); David Eltis, *Economic Growth and the Ending of the Transatlantic Slave Trade* (Oxford, 1987), 250-52.

[18]Based on Transatlantic Slave Trade Database, Du Bois Institute for Afro-American Research, Harvard.

Europeans became more sophisticated in the eighteenth century.[19] John Adams, who traded at Old Calabar in the 1790s, claimed that many of the local traders at the port `expect and receive credit to a great extent' from Europeans.[20] Moreover, he suggested that a similar situation existed at Bonny, where the local traders `augment the quantity of their merchandise, by obtaining from their friends, the captains of the slave ships, a considerable quantity of goods on credit'.[21] On Adams' reckoning, therefore, credit advances were extensive at the two major slaving ports in the Bight of Biafra by the 1790s.

There are indications that credit was being advanced by Europeans at Bonny over a century before Adams visited the coast. Jean Barbot, who travelled to Africa in 1678-82, claimed that at Bonny Europeans `were often obliged to trust' African slave brokers with goods in order to allow them `to attend the upper markets, and purchase slaves for them'.[22] Barbot's remarks, published in 1732, were reinforced by a description of a voyage by his brother, Jacques, in 1699 to the same port. According to this account, goods to the value of 150 bars of iron were advanced to the king `by way of loan', with similar advances being made `to his principal men, and others, ... each in proportion of his quality and ability'.[23] Evidence that British traders continued to supply credit at Andony and Bonny thirty years later is also to be found.[24]

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[19]Latham, *Old Calabar*, 27.

[20]John Adams, *Remarks on the Country Extending from Cape Palmas to the River Congo* (london, 1823), 248.

[21]Ibid, 130.

[22]P.E.H. Hair and Robin Law (eds.), *Barbot on Guinea; the Writings of Jean Barbot on West Africa 1678-1712*, 2 vols. (Hakluyt Society, London, 1992), II, 675.

[23]Ibid, II, 689.

[24]National Maritime Museum, Greenwich, London, AMS/4, Ship Castle Day Book 1727. We are grateful to the Museum for permission to use its records.

While the antiquity of credit advances at Old Calabar is unknown, by the 1760s, credit was expected and received by Calabar merchants. The trade book of the Liverpool ship *Dobson* which visited Old Calabar in 1769-70 reveals that at least 67 of its 566 slaves were bought on `trust'.[25] On 21 April 1785, Antera Duke, a leading trader of Duke Town, Old Calabar, noted in his diary that he and two others had asked one captain to `trust [goods] for slaves'.[26] On this occasion, the request was refused, but the indications are that, in taking this position, the captain concerned was exceptional, since competition among traders probably forced most to accede to local dealers' demands for credit. Similarly in June 1785, Antera Duke and two other traders of Duke Town received `goods for 50 slaves' from one captain.[27] As slaves were selling for about £15 per head in the mid-1780s, the goods advanced in June 1785 to the three dealers were probably worth about £750.[28] This sum was still modest, however, in comparison with the credit advanced by some other masters. Thus in December 1787 Richard Rogers, master of the *Pearl*, advised his owners, James Rogers & Co. of Bristol, that he had `deposited Goods in safe hands for 100 Slaves', while, on 6 May 1792, the master of the *African Queen*, also owned by Rogers & Co. reported that he had 45 slaves on board and `Goods in the Country' for a further 131. Additional reports relating to the *African Queen* suggest that on 11 June the ship had 149 slaves `on trust & paid for' and that this had increased to 160 by 9 July 1792.[29] Whether the slaves referred to in June

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[25]Dalemain House, Cumbria, Hassell Mss., Trade book of *Dobson*. We are grateful to Mr Robert Hassell-McCosh for permission to use material from his family's papers.

[26]`The Diary of Antera Duke', in Daryll Forde (ed.), *Efik Traders of Old Calabar* (London, 1956), 30.

[27]`Diary', 33.

[28]David Richardson, `Prices of Slaves in West and West-Central Africa: Toward an Annual Series, 1698-1807', *Bulletin of Economic Research*, 43 (1991), 55.

[29]P.R.O. C 107/12 (*Pearl*); C 107/13 (*African Queen*).

and July included those mentioned in May 1792 is unclear. But, assuming that they did not and that slaves cost about £15 each, it is likely that about £1500 of goods was advanced by Richard Rogers to African merchants in 1787 and that those commanding the *African Queen* had trusted out goods worth up to £4,365 in May-June 1792. We do not know if the amount of credit advanced on these voyages was typical. But on the basis of the reports, it would appear that, notwithstanding the reluctance of some shipmasters to advance credit, John Adams was correct to suggest that African dealers in slaves at Old Calabar received substantial credit from European traders by 1790. Indeed, with some ten to fifteen British ships on average arriving each year in the Cross River around 1790, new credit advances by British traders to Old Calabar merchants perhaps amounted to £40-50,000 or more a year when Adams visited the river.[30]

On certain parts of the African coast British traders were prepared to extend credit of six months or more to African dealers in slaves.[31] Similar arrangements for credit of six months to two years were not uncommon at the British and American ends of the slave trade in the late eighteenth century.[32] But traders in the Bight of Biafra apparently anticipated that debts would be settled rather faster. Describing voyages he had made to Old Calabar and the River Del Rey in 1772-76, John Ashley Hall told Parliament in 1790 that `the Black traders' normally left `with the goods they got from the ship', returning `ten days to about three weeks later'.[33] William Prosser, who traded for

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[30]For clearances of ships from Britain to Calabar, see S.D. Behrendt, The British Slave Trade, 1785-1807: Volume, Profitability, and Mortality (Ph.D. thesis, unpublished, University of Wisconsin-Madison, 1993), 303.

[31]P.R.O. C 107/14, 24 April 1791, Isle Delos, William Roper to James Rogers.

[32]David Richardson, *Bristol Africa and the Eighteenth-Century Slave Trade to America: Vol 4. The Final Years, 1770-1807*, Bristol Record Society Publications, XLVII (1996), xxviii.

[33]Sheila Lambert (ed.), *House of Commons Sessional Papers in the Eighteenth Century*, 145 vols., (Wilmington, NC, 1975-78), vol. 72 (1790), 226.

redwood at Gabon in 1792, observed that it was `the custom in this River to trust out your Goods for Red Wood'.[34] He had extended credit for six weeks to two months and, having advanced goods in April, he was `in hopes of getting the Ship full in all June'.[35] The 5,000 billets that he had `trusted out', at about 15s. per 100 billets `Invoice price', amounted to less than £40 sterling. The evidence suggests that Prosser's expectations were largely fulfilled. An undated manifest, probably taken on 11 July 1792, shows that at that time he had nearly 24,000 billets of redwood and some other goods on board ship; soon after, he left the coast, returning to Bristol in mid-September 1792.[36]

In the nineteenth century, according to Dike, goods `were trusted to the Delta middlemen by the British merchants for periods of from six months to a year or, in some rare cases, to two years'. Although these observations applied to the palm oil trade, similar arrangements were said to be `prevalent during the slave trade', having been carried over `from the old trade to the new'.[37] Thus, on 7 July 1825, Duke Ephraim of Old Calabar promised Louis Loiseau, master of a French ship, that he would dispatch him `with his full cargo, at five hundred Slaves in the Current of three Months from Datte'.[38] But Loiseau seems to have been kept waiting nearly six months before he secured delivery of slaves from Duke Ephraim. Moreover, he was not alone

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[34]Public Record Office (hereafter P.R.O.), Chancery Master' Exhibits, C 107/6, 10 April 1792, William Prosser to James Rogers.

[35]P.R.O. C 107/6.

[36]Richardson, *Final Years*, 201.

[37]K.O. Dike, *Trade and Politics in the Niger Delta, 1830-1885* (Oxford, 1956), 102. On the `trust' system, see also G.I. Jones, *The Trading States of the Oil Rivers: a Study of Political Development in Eastern Nigeria* (London 1963); David Northup, *Trade without Rulers: Pre-Colonial Economic Development in South-Eastern Nigeria* (Oxford, 1978).

[38]Serge Dagét, *Repertoire des Expeditions Nègrieres Francaises a la Traite Illegale (1814-1850)* (Nantes, 1988), 380.

in failing to achieve early settlement of debts. After spending just over six months at Old Calabar, Hammett Forsyth, master of the *African Queen*, complained that he was still waiting for delivery of slaves on 24 September 1792, and debt arose from a `former Trust' that he was finding it `very difficult to recover, although in good hands'.[39] The records do not reveal whether Forsyth was ultimately successful in recovering these debts, but they do indicate that some ships were forced to leave the coast without securing full settlement of accounts by African merchants, leaving debts to be carried over into subsequent years or otherwise arranging means of transferring outstanding debts to other merchants.[40]

Assessing the actual length of credit advanced by British traders at Old Calabar is, therefore, problematical, but the time taken by ships to secure a load of slaves provides some indication of average length of time in credit arrangements. The mean time taken by Bristol and Liverpool ships to load slaves in the Bight of Biafra was three to four months between 1750 and 1800. On the whole, ships spent a similar amount of time at the Slave Coast, significantly less than at Upper Guinea, the Gold Coast, and Angola.[41] Loading times varied substantially, however, with some ships at Old Calabar taking less than a month to obtain their slaves while others took up to a year or more. Thus, while traders who had advanced goods on credit to merchants at Old Calabar might reasonably anticipate the clearance of debts within, say, six months, there was, nevertheless, a strong possibility that they might have to wait considerably longer before accounts were settled. In this respect, Dike's suggestion that credit in Delta ports was normally extended by British traders for six to twelve months appears to be just as applicable to the late eighteenth century as to fifty years later.

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[39]P.R.O. C 107/13.

[40]P.R.O. C 107/13, papers of the *Triton* 1791.

[41]David Eltis and David Richardson, `Productivity in the Transatlantic Slave Trade', *Explorations in Economic History*, 32 (1995), 478.

II

The provision of credit at Old Calabar clearly entailed risks and, as such, constituted an important element of the transaction costs surrounding slaving activity in the region. Neo-classical economics has tended to dismiss such transactions costs as marginal to economic activity, preferring instead to concentrate on production costs. Where problems over exchange have been identified, neo-classical theory assumes that low-cost, state-sponsored, legal systems can provide a means of resolution. As Williamson has reminded us, however, in the sphere of exchange, economies did not operate in a frictionless world.[42] It is now acknowledged that human behaviour and market structures that underlie neo-classical theory do not mesh perfectly. Most of the resulting theoretical work has centred on the institutions of modern industrial capitalism, as economists have grappled with the implications of monopolistic competition, bounded rationality, and opportunism for negotiating and implementing contracts between sellers and buyers of goods and services. This focus, in turn, has resulted in a reappraisal of the role of the state and legal systems in enforcing contracts and a growing emphasis on private arrangements between individual players or firms in the market. As a result, `private ordering' has increasingly been seen as providing more effective mechanisms for ensuring the fulfilment of contractual obligations in many circumstances than the `legal centralism' of earlier approaches.[43] Particularly significant in this context is the stress on the role of hostages in maintaining `credible commitments' by parties involved in market exchanges.[44]

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[42]Oliver E. Williamson, *The Economic Institutions of Capitalism: Firms, Markets, Relational Contracting* (New York, 1985), 19.

[43]Janet T. Landa, *Trust, Ethnicity and Identity: Beyond the New Institutional Economics of Ethnic Trading Networks, Contract Law and Gift-Exchange* (Ann Arbor, 1994).

[44]Oliver E. Williamson, `Credible Commitments: Using Hostages to Support Exchange', *American Economic Review*, 73 (1983), 519-40.

Transactions cost economics is centrally concerned with economic organizations and the way in which institutions adapt and change in order to economize on the costs of running the economic system.[45] Proponents of this approach have been accused of a simplistic functionalism; social institutions and arrangements which were `previously thought to be the adventitious result of legal, historical, social, or political forces' are largely to be viewed as `the efficient solution to certain economic problems', with malfeasance being averted `because clever institutional arrangements make it too costly to engage in'. Rather than *produce* trust, such arrangements are seen as `a functional substitute for it'.[46] Because *some* degree of trust is required in order for exchange to operate smoothly, economic activity is perceived to be embedded in systems of sustained personal relations and social networks. In particular, `the identity and past relations of individual transactors' are seen as providing firmer foundations for generating trust than institutional arrangements or other methods, including generalized morality.[47] This theory is reminiscent of the Prisoners' Dilemma, in which co-operation rather than individualism pays, especially where transactors are in a continuing rather than `one-off' relationship.[48]

Some exponents of the `new institutional economics' now agree that the `social context in which transactions are embedded - the customs, mores, habits, and so on - have a bearing, and therefore need to be taken into account, when moving from one culture

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[45]Williamson, *Economic Institutions, 8.*

[46]Mark Granovetter, `Economic Action and Social Structure: the Problem of Embeddedness', *American Journal of Sociology*, 91 (1985), 488-89.

[47]Ibid. 491.

[48]Andrew Schotter, *Free Market Economics: a Critical Appraisal* (New York, 1985), 47-51.

to another'.[49] In studying cross-cultural trade, including trade between Europeans and Africans, Curtin has claimed that both market and other forms of exchange `have a role to play' in such trade, the precise balance between the two depending on the specific situation.[50] More recently, Guyer has argued that, at the African coast, there existed an `economic interface' between African systems of production and exchange linked to social identity and status and based on use-values rather than the market-orientated systems associated with Europeans.[51] According to Guyer, the lack of convertibility of African commodity-based currencies reinforced social and institutional barriers to market exchange and severely inhibited the integration of West African economies into the Atlantic capitalist system.[52]

Despite the last claims, slave exports from western Africa to America, as we have seen, rose substantially in the eighteenth century. Moreover, if Old Calabar is a guide, credit advances to African slave dealers probably rose in harmony with exports of people. We would suggest that, in the case of Old Calabar, the trust between shipmasters and slave dealers that underpinned credit was founded on a mixture of social connections and institutional arrangements. Thus masters are reputed to have joined local secret associations such as *Ekpe* which had debt-collecting powers, while at the same time they required African merchants to lodge hostages or `pawns' with them in exchange

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[49]Williamson, *Economic Institutions*, 22.

[50]P.D. Curtin, *Cross-Cultural Trade in World History* (Cambridge, 1984), 14.

[51]Miller, *Way of Death*, 175; Sara S Berry, `Stable Prices, Unstable Values: Some Thought on Monetization and the Meaning of Transactions in West African Economies', in Jane Guyer (ed.), *Money Matters: Instability, Values and Social Payments in the Modern History of West African Communities* (Portsmouth, NH, 1994), 304.

[52]Jane Guyer, `Introduction: the Currency Interface and its Dynamics', in Guyer (ed.), *Money Matters*, 8.

for goods advanced on credit.[53] Pawnship - or the pledging of goods or people as security against loans - was widespread in West and West-Central Africa in the eighteenth century; commercial pawning was a variant of this indigenous practice that appears to have existed elsewhere in western Africa as well.[54] As an institution, pawnship depended upon social relations between debtors and creditors, but the exact nature of the institutional practices that underlay trust between the parties involved in slave transactions at Old Calabar and other regions remains, as yet, unclear.

By combining existing records with previously unused sources, it is possible to shed new light on the mechanisms by which trust was created between lenders and borrowers at Old Calabar before 1800. At this stage of research, any conclusions must be regarded as tentative. Moreover, caution needs to be exercised in applying findings relating to Old Calabar to credit arrangements in other regions. But the weight of historical evidence seems to indicate that, while social relations between slave suppliers and shippers were not unimportant, hostage taking or commercial pawning was a vital factor in maintaining trust and credit at Old Calabar at the height of slave trafficking. In this respect, our findings demonstrate how theories of transactions costs economics can inform and qualify theories of trust based on the concept of social embeddedness that ignore pawnship, slavery and other institutions of servility. We begin by exploring the social relations surrounding the slave trade at Old Calabar and then turn to commercial pawning activities.

III

Slave shipments from Old Calabar were channelled through several towns or wards in

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[53]Latham, *Old Calabar*, 27, 38.

[54]Miller, *Way of Death*, 179.

the Cross River.[55] These were controlled by Efik traders, a group of Ibibio-speakers who had originally settled at Creek Town some time before 1650 but who sub-divided into seven wards or houses, each with its own settlements, during the following century. It is likely that the early slave trade of Old Calabar was dominated by merchants based at Old Town (or Obutong) but by the late 1760s their hold over the trade had been eclipsed by merchants of other wards, notably those of Duke Town and Henshaw Town.

Within the various wards or towns, trade seems to have been controlled by small groups of traders or commercial houses. Continuous records of these houses are unavailable, but the accounts and correspondence of the Old Calabar trade around 1770 and the diary of Antera Duke for 1785-8 reveal that up to thirty merchants may have been involved in the slave trade of the Cross River in the last decades of the eighteenth century.[56] Prominent among these were Eyo Nsa (or Willy Honesty) of Creek Town, Tommy Henshaw of Henshaw Town, and Egbo Young, Antera Duke, and Edem Ekpo and his son, Efiam Edem (both known as Duke Ephraim) of Duke Town. Of the thirty traders noted by Antera Duke in his diary, as many as a half were involved in supplying slaves to British ships nearly two decades earlier.[57] Moreover, several of those active in 1785-8 remained involved in slaving beyond 1800 while others were clearly succeeded as merchants by their descendants.[58] The continuity among African merchant families in the slave trade between 1750 and the early nineteenth century

[55]The following descriptions of commercial structures at Old Calabar draws on Latham, *Old Calabar* and Northrup, *Trade without Rulers*.

[56]P.E.H. Hair, 'Antera Duke of Old Calabar - A Little More about an African Entrepreneur', *History in Africa*, 17 (1990), 360.

[57]For the names of traders supplying slaves in 1769-70, see Account Book of *Dobson*, 1769-90, in Hassell papers, Dalemain, Cumbria.

[58]Latham, *Old Calabar*.

appears to have been considerable. In turn these Calabar commercial houses levied duties or `coomey' on ships arriving in the river which in effect assured indirect access through trade with the river port of Itu, where Aro traders from the interior brought their slave supplies.[59]

The institutional mechanism to contain the rivalry that existed among the various wards of the Cross River was vested in the *Ekpe* secret society, which was a graded association of adult males that interlocked with similar associations at all the commercial centres of the Biafran interior. Probably founded in the mid-eighteenth century,[60] *Ekpe* has sometimes been referred to as a `secret society' because its decisions and their implementation were governed by collective responsibility and taken in closed session. On the whole, the wealthiest and most powerful merchants dominated the highest grades of *Ekpe* and competed for its principal offices. These men were responsible, among other things, for debt enforcement, having the power to `blow' *ekpe*, that is punish offenders through summary justice. Membership in *Ekpe* extended to Aro traders, who formed similar closed associations of their own in the interior. Moreover, the Aro controlled the *Ibinukpabi* oracle at Arochukwu, their capital; the oracle was recognized as the supreme court of appeal for a range of legal issues that pertained to credit and trade, including the protection of merchants and markets, the settlement of sectarian disputes, and the accumulation of slaves through fines and fees levied on litigants. Hence the leading ward houses at Old Calabar participated in a network of overlapping agencies that served to enforce payment of debts and to protect the commercial interests of the export trade in slaves.[61]

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[59]For the Aro, see Northrup, *Trade without Rulers*; Dikẹ and Ekejiuba, *Aro of South-Eastern Nigeria*.

[60]Latham, *Old Calabar*, 36.

[61]On the *Ibinukpabi* oracle, see Dike and Ekejiuba, *Aro of South-Eastern Nigeria*, 249.

Just as a few trading houses controlled slave exports from Old Calabar between 1750 and 1807, so a relatively small number of Bristol and Liverpool merchants dominated European trade with the region.[62] In this respect, at least, slaving transactions at Old Calabar resembled the situation described by Granovetter, where agents had recurrent dealings with each other and relied on their past record of dealings to determine whether `a particular other may be expected to deal honestly'.[63] British traders certainly recognized the value of social relations and honest dealings in building trust and maintaining trade. In 1761, William Earle of Liverpool promised Duke Abashy of Old Town that two of his sons who had been mistakenly shipped from the coast would be safely returned; Earle reassured Duke that `I do not Want to wrong Nor I never did wrong any man one Copper'. The personal dimension of this correspondence should be noted: `You know very well I Love all Calabar', wrote Earle, observing that he himself had three sons and a daughter. In conveying his sympathies and reiterating his pledge to correct the injustice, Earle also passed on the greetings of his wife, who `Sends you her Love'.[64]

Good relations between British and Biafran merchants also were promoted through the overseas travels of the Calabar elite. Thus, in 1773, Otto Ephraim of Old Town sent a young boy to Liverpool as a companion to Joshua Lace, son of the Liverpool slave trader, Ambrose Lace; as was the case with other sons and dependents of the leading Calabar merchants, he was probably also to be educated. Ephraim was willing to supply slaves to one of the Liverpool ships then at Old Calabar because of Lace's

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[62]On the patterns of British merchant participation in slaving voyages to Old Calabar and neighbouring places, see Behrendt, British Slave Trade, 301-3.

[63]Granovetter, `Economic Action', 491.

[64]Merseyside Maritime Museum Archives, Liverpool, Earle papers, Letter Book of William Earle
1760-1.

connection with the ship; the master `told me you have part of his ship'.[65]

Promoting good relations was doubtlessly helped by the familiarity of Efik traders with the English language. As observed in the early 1790s, the `Black Traders of Bonny and Calabar' were `very expert at reckoning and talking the different Languages of their own Country and those of the Europeans'.[66] In 1819 it was claimed that `the greater part of the male-natives' at Old Calabar `can read and write English'.[67] The leading traders at Old Calabar appear to have been both literate and relatively fluent in English or pidgin versions of it as early as the 1760s. The clearest demonstration of this is Antera Duke's diary for 1785-8, fragments of which, written in pidgin English, have survived. But Antera Duke was not alone among the Efik in being literate and English-speaking. William Earle's letter to Duke Abashy in 1761, discussed earlier, was in fact a reply to a *written* complaint by the Calabar trader. Moreover, in another letter, Otto Ephraim asked Ambrose Lace to `Send me some Writing papers and 1 Bureaus to Buy'.[68] Furthermore, accounts were often registered on board European ships. Thus in 1792 Thomas Codd lodged provisions and gunpowder for one of James Rogers's ships, the *African Queen*, with Duke Ephraim, Egbo Young, and Antera Duke of Duke Town and had `taken their receipts' for the same.[69] Anglo-Efik relations in the late eighteenth century thus appear to have been underpinned by a common language and, if Codd's experience was typical, Calabar traders were accustomed to the commercial conventions of European merchants.

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[65]Gomer Williams *History of the Liverpool Privateers and Letters of Marque, with an Account of the Liverpool Slave Trade* (London, 1897), 547.

[66]Evidence of William James, in Lambert (ed.), *Sessional Papers*, vol.69 (1789), 49.

[67]G.A. Robertson, *Notes on Africa: Particularly those Parts which are situated between Cape Verd and the River Congo*, (London, 1819), 313.

[68]Williams, *Liverpool Privateers*, 542-8.

[69]P.R.O. C 107/6, 11 March 1792, Thomas Codd to James Rogers & Co.

This behaviour suggests that business relations at Old Calabar were in part, at least, `mixed up with social ones',[70] which might appear to confirm the neo-substantivist approach of Guyer and others who emphasize `the proliferation of institutions and social memberships' in the expansion of networks as market activity grows.[71] Certainly the language of sociability sometimes permeated correspondence between British and Efik merchants, as revealed above. As Antera Duke's diary shows, commercial transactions between Efik traders and ship captains were interwoven with social gatherings. Indeed, the diary suggests a pattern for the 1780s in which captains regularly attended dinner parties given by Calabar merchants, including parties on Christmas and New Year's day.[72] Moreover, they shared in other activities such as fishing trips.[73] Discussion of business matters doubtless helped to enliven conversations on such occasions, and in this sense these gatherings of masters and traders perhaps helped to produce the conspiracies against the public interest that Adam Smith feared, except that in this case the victims were not local consumers but those enslaved. Be this as it may, slaving transactions - and the credit advances necessary to sustain them - clearly took place at Old Calabar between agents of radically different cultural backgrounds - British and Biafran - who reduced these differences to some extent through social interaction but who could not eliminate them.

The extent to which economic behaviour at Old Calabar was shaped by Anglo-Efik social relations is difficult to measure. There may have been a tendency towards the reinforcement of business through social contacts, but Granovetter's suggestion that

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[70]Granovetter, `Economic Action', 495-96.

[71]Berry, `Stable Prices, Unstable Values', 309-10.

[72]`Diary', 41-2, 52, 63.

[73]Ibid, 37.

`continuing economic relations' may `become overlaid with social content that carries strong expectations of trust and abstention from opportunism'[74] is probably an exaggeration. Opportunism - or `self-interest-seeking with guile'[75] - is a central behavioral assumption of the new institutional economics, especially in relation to transactions costs. The attempt of well-developed systems of social relations to curb opportunism is an important historical theme, but as the evidence from Old Calabar makes clear, opportunism played a continuing role in slaving activities. The persistence of opportunism in testing the system of private ordering that developed at Old Calabar raises serious questions about the centrality of social relations in governing transactions. The `social embeddedness' of credit and trust at Old Calabar arose not from the social space shared by European and Biafra merchants but from the reliance on pawnship, which as an institution was itself firmly embedded in the indigenous social structure and therefore provided the basis for credit arrangements.

Evidence of opportunistic behaviour by parties involved in Anglo-Efik slave trading is scare and largely circumstantial. Would it have been necessary to hold pawns as commercial hostages if there was not considerable risk of opportunistic profit seeking? Despite social interaction, examples of expropriation can be found, and `panyarring', or arbitrary seizure for debt, was still being practised, even if discouraged, in the late eighteenth century. Perhaps the most obvious example of opportunistic behaviour that undermined competition in the export slave market is the so-called `massacre at Old Calabar' in 1767.[76] The background to this episode is obscure, though the consolidation of the *Ekpe* society from the 1750s probably was a factor in the events leading up to 1767. In the early 1760s, Old Town was the leading trading centre on

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[74]Granovetter, `Economic Action', 490.

[75]Williamson, *Economic Institutions*, 65.

[76]For this phrase, see Williams, *Liverpool Privateers*, 529.

the Cross River. Frustrated by delays in slave deliveries that arose from conflicts among the commercial wards of Old Calabar, British traders conspired with merchants from Duke Town to destroy the commercial power of Old Town, and thereby eliminate Old Town from the slave trade. Reports published in 1790 suggest that the British captains in the River conspired with Duke Town to fake the mediation of the dispute between the wards. The conspiracy depended for its success on the belief of `Old Town people' in `the sincerity of the proposition of the captains to bring about a reconciliation' of the differences between them and their rivals.[77] Arguably, therefore, the relations that British captains had forged with Old Town merchants before 1767 were perhaps critical in creating the opportunity to entrap them. On this occasion, the outcome of deception was the slaughter by British and Duke Town traders of some 300 Old Town residents; an immediate supply of slaves in the form of prisoners, including two sons of the head of Old Town; and the ascendency of Duke Town over Old Calabar's slave trade. With its destruction in 1767, the death of many of its members, and the deportation of many others to the Americas as slaves, Old Town ceased to be a major factor in the export trade, even as a further source of slaves. The ascendency of Duke Town was to persist until the trade's demise in the 1840s.

Whether the British expected so many Old Town residents to be slaughtered in 1767 is unknown. It is possible that, just as they deceived the Old Town merchants, so they themselves were misled by their Duke Town allies about the intended consequences of the plot. Be this as it may, under the tutelage of Duke Town slaving transactions with the British in the lower Cross River appear to have followed a less violent and more contractual course. The tendency towards opportunism seems, nevertheless, to have remained a continuing feature of Anglo-Efik commercial affairs after 1767, thereby undermining trust and at times souring relations. One problem was that, like their Old Town predecessors, those who seized control of the trade after 1767 sought whenever

[77]Lambert (ed.), *Sessional Papers*, vol.71 (1790), 227-29.

conditions were favourable to extract higher duties from European merchants. This opportunism, in turn, created uncertainty for British traders. Complaints about increases in coomey were especially noticeable in the late 1780s when British trade with Old Calabar reached exceptional levels.[78] For their part, ship captains also behaved at times in ways that undermined trust. Particularly damaging was their seizure and shipment to the Americas of allegedly free persons. Thus, in 1789, Duke Ephraim of Duke Town complained to James Rogers and Sir James Laroche of Bristol that two men had been seized illegally. Ephraim complained that he had been a `very good friend' to the ship *Jupiter*; even so, its master had sailed away with two of his canoemen, both of whom were `free men'. Outraged by this, Duke Ephraim threatened to `make Bristol Ship pay for them two' unless they were returned by `Any other Ship or himself'.[79] Whether the two canoemen were returned or Duke Ephraim carried out his threat is unknown, but the fact that those illegally taken worked for Duke Ephraim, Duke Town's leading merchant by 1790, is significant. Even when British merchants dealt regularly with Duke Ephraim, as Rogers and Laroche evidently did, the behaviour of their agents in the field could undermine trust.

The patchiness of the evidence makes it is difficult to come to firm conclusions about connections between social relations and credit provision at late eighteenth-century Old Calabar. British traders were plainly anxious to cultivate good relations with the heads of local trading houses. Moreover, there are indications that some masters of ships expected to benefit from personal relations with the Efik. But, while there are signs that `social content' may have infiltrated economic relationships in the region, this did not produce the `abstention from opportunism' that one might expect to arise from

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[78]Adams, *Remarks*, 143; P.R.O. C 107/13, 11 June 1792, Hammett Forsyth to James Rogers.

[79]P.R.O. C107/12, 16 October 1789, Duke Ephraim to Rogers & L Roach (Laroche).

strong personal or social relations.[80] On the contrary, as the events of 1767 demonstrate, when trust was established, there was no guarantee that some deception by one of the parties might undermine the ordering that underlay transactions. The ambiguity of social relations may have made it, as Sara Berry has suggested, `imperative for people to invest time and money in maintaining them',[81] but the social relations that developed among the parties involved in slaving activities at Old Calabar did not prevent malfeasance. In such circumstances, other mechanisms were developed to support and protect commercial exchange and, above all, to promote the growth of credit that bound British and Biafran traders together in the conduct of trade in the late eighteenth century. We now turn our attention to these mechanisms that allowed trade across the `interface', to use Guyer's term to describe the apparent economic instability that characterized the meeting point of two distinct cultural zones.

IV

As Williamson has observed, there is a distinction between credible commitments and credible threats; the former are `undertaken in support of alliances and to promote exchange' and are seen to involve `reciprocal acts designed to safeguard a relationship', while the latter are said `to appear in the context of conflict and rivalry'.[82] In the case of credible commitments, most attention has focused on bargaining practices, particularly the incentive systems that have evolved to enforce promises. Transactions can be guaranteed through the legal system, but, as noted earlier, `private order' arrangements can provide the support for contracts. Among the various arrangements that may arise, we have observed that hostage-taking can provide

[80]Granovetter, `Economic Action', 490.

[81]Berry, `Stable Prices, Unstable Values', 309.

[82]Williamson, `Credible Commitments', 519.

the insurance that transactions will be fulfilled. The important point is that, under such arrangements, the law is seen to operate `in the shadow of indigenous ordering',[83] with contracts assuming a largely self-enforcing character, violation of the terms of an agreement by one party precipitating its termination by the other, with the danger of retaliation.

Applying theoretical insights from transactions cost economics to slaving activities in Africa poses some problems, not least because the sellers of slaves in Africa were often also the lawmakers. Where contract enforcement is concerned, detaching the law from private order arrangements can, in such circumstances, prove difficult. Be this as it may, it is worth exploring how far the conduct of slave transactions at Old Calabar conformed to the hostage and private order models proposed by economists. Our findings also inform the discussion of cross-cultural trade, emphasizing in particular the role of credit in such activity.

From an early date, various means of providing collateral for loans were developed along the Atlantic coast from Senegambia to Angola. Europeans giving credit to African traders required collateral to secure their loans; the use of pawns as commercial hostages was such a mechanism of facilitating the extension of credit, as we have seen. Moreover, the credit arrangements in the slave export trade were similar to those in domestic African economies where pawnship was widespread.[84] Pawns were used to secure credit advances in the export trade of the Gold Coast as early as the seventeenth

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[83]Marc Galanter, `Justice in Many Rooms: Courts, Private Ordering, and Indigenous Law', *Journal of Legal Pluralism*, 19 (1981), 23.

[84]Gareth Austin, `Indigenous Credit Institutions in West Africa, c.1750-c.1960' in Gareth Austin and Kaoru Sugihara (eds.), *Local Suppliers of Credit in the Third World, 1750-1960* (London, 1993), 106-8; Toyin Falola and Paul E. Lovejoy (eds.), *Pawnship in Africa: Debt Bondage in Historical Perspective* (Boulder, 1994).

century;[85] evidence of their use in coastal transactions in other regions before 1750 is sparse. Pawning seems, however, to have been fairly widespread during the second half of the eighteenth century, though, according to one trader, pawns were seldom offered at Bonny.[86] Because of the proximity of Bonny to Old Calabar and the similarity in the supply mechanism for both ports, this observation should be taken as a note of caution in generalizing on the extent to which pawnship was a factor in the slave trade other than at Old Calabar.

Alagoa and Okorobia have speculated that in the eastern Niger delta `the onset and maturity of the overseas slave trade probably provided the initial setting for the development of pawnship'.[87] We cannot establish the antiquity of the practice of pawning individuals as collateral for debts at Old Calabar or its interior, however. The earliest known evidence of pawning associated with slave exports from Old Calabar relates to 1763 when the master of a Liverpool brig reported getting `pledges' out of the `Kings Town [i.e. Old Town] Dukes and Tom Henshaws [town]', although he was refused `a son for pledge' by `Robin John Town'.[88] Other glimpses of pawnship at Old Calabar in the 1760s also involve slave transactions,[89] and by the early 1770s, if not earlier, pawning was widely used to facilitate trade. Thus, John Ashley Hall, a London captain who traded at Old Calabar in 1772-3, accepted pawns as collateral. In response to a question posed by a Parliamentary Select Committee in 1790, Hall explained that the use of pawns was `the way the trade is carried on' in the Calabar and Del Rey

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[85]Kea, *Settlements*.

[86]Evidence of James Fraser, in Lambert (ed.), *Sessional Papers*, 71 (1790), 16.

[87]E.J. Alagoa and A.M. Okorobia, `Pawnship in Nembe, Niger Delta', in Falola and Lovejoy (eds.), *Pawnship in Africa*, 74.

[88]Williams, *Liverpool Privateers*, 533.

[89]Evidence of James Morley, in Lambert (ed.), *Sessional Papers*, vol. 72 (1790), 156.

rivers.[90] In June 1785, for example, Abasi Cameroon Backsider and `one of his boys' were held as pawns on the *Combesboch.*[91]

Evidence of widespread pawning on European ships becomes increasingly plentiful from the 1770s, not only for Old Calabar but also for nearby Cameroon and Gabon.[92] According to James Arnold, surgeon on a Bristol brig trading at Bimbia in the Cameroons in 1787-8,

> we Intrust the Traders with Goods, with which they go to the Fairs, yet we expect that they should leave us something as a Pledge for their Return. To satisfy us in this Particular, they leave their Children and Relations in our Custody, whom we distinguish by the Name of Pawns. As the Traders bring us Slaves, or, in other Words, as they pay their Debts, so these are released. But if they are unable to discharge them at an appointed Day (which Day is fixed for the sailing of the Ship), they are taken to the West Indies and sold.[93]

As this account suggests, slaving transactions at Bimbia in the 1780s bore a close resemblance to a hostage-based, self-enforcing contractual arrangement. Shippers simply enslaved the pawns by sailing away if suppliers of slaves failed to redeem the pawns within an appointed period. Pawns were converted into slaves apparently without any resort to external legal authority. There seems little room for doubt, therefore, that using pawns as security for goods given on credit had become, with the possible and admittedly important exception of Bonny, a standard feature of commerce in the Bight of Biafra by the 1770s, and probably dating back at least to the 1750s and the introduction of the *Ekpe* association.

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[90]Evidence of John Ashley Hall, in Lambert (ed.), *Sessional Papers*, vol. 72 (1790), 227.

[91]`Diary', 35.

[92]`Diary', 35, 44, 59; evidence of James Arnold and David Henderson in Lambert (ed.), *Sessional Papers*, vol.69 (1789), 52-56.

[93]Lambert (ed.), *Sessional Papers*, vol.69 (1789), 52.

The use of pawnship in the coastal transactions that moved enslaved Africans across the Atlantic represented an adaptation by European traders to African customs. Not only people were pawned; it appears that gold and other goods were regularly pawned at the Gold Coast before 1700.[94] Alternate forms of collateral, including productive trees, were acceptable forms of collateral in the interior, and European merchants continued to accept a variety of pledges throughout the eighteenth century in some places.[95] In the Bight of Biafra, however, there was little else other than people that European lenders were prepared to hold as security for loans, with the possible exception of Bonny. The adaptation of pawning to the commercial practices of European merchants involved in buying slaves demonstrates how institutions that were not recognized in the legal tradition of Britain or other European countries could become a principal agency of merchant capital. In Europe though not in Africa, pawning of people was exceptional, if not illegal. The impact of the trans-Atlantic slave trade on Old Calabar, at least, was to promote the use of pawns. While the scale of domestic pawnship within pre-colonial West African societies is impossible to quantify, commercial pawning at the coast almost certainly rose in tandem with the growth of slave exports.[96] It is possible, moreover, that overall levels of pawning people in the Bight of Biafra expanded substantially from the mid-eighteenth century onward. Similar increases in the incidence of pawnship may have occurred in other regions associated with the export slave trade.

The number of pawns deposited by slave suppliers with individual shipmasters was doubtless negotiable, but neither the proportion of enslaved Africans shipped to the Americas who were originally commercial pawns nor the frequency of such shipments are known. In 1773, Grandy King George of Old Town reported that one ship had

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[94]Kea, *Settlements*, 238.

[95]See Papers of James Phipps, P.R.O. C 113/261, letters to and from Commenda, Succunde and Dixcove, May-October 1716.

[96]See Falola and Lovejoy (eds.), *Pawnship in Africa*.

carried away his pawns, including four of his sons.[97] In April 1788, Richard Rogers, master of the *Pearl*, had 60 pawns as well as 50 slaves on board ship.[98] In the same year, the *Gascoigne* was accused of sailing from Old Calabar with 120 `Pledges' in a shipment of 540 individuals.[99]

The incarceration of pawns on board ships not only reduced the amount of labour available on shore but also raised overheads for Calabar merchants, who appear to have been responsible for the subsistence of pawns. At the same time, Bristol and Liverpool merchants who dominated the trade wanted obtain slave deliveries as quickly as possible. It was in their interests to obtain a high ratio of pawns to slaves, a tendency that was in turn balanced by the close ties between British and Calabar merchants that could reduce the number of pawns required and perhaps even eliminate the need for their use at all.[100] Such conflicts of interest meant that the outcome of negotiations over pawns is likely to have varied. As pawns were sometimes kin of the Calabar slave dealers and were presumably also well fed, it was no doubt anticipated that the number deposited on board ship would be rather less than the number of slaves that dealers contracted to supply.

According to Richard Rogers, a sensible target was two pawns to three slaves. He claimed that when he could `Gett my Debts in Such Cytuation' he could give the dealers just two days to clear any outstanding debts, and `Should they not pay in that time', he could then `Borrow their pawns to sell in the West Indies'.[101] The idea that one might borrow pawns is intriguing since it implies that, even after being shipped

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[97]Williams, *Liverpool Privateers*, 543-44.

[98]P.R.O. C 107/12.

[99]P.R.O. C 107/12, April 1788, Richard Rogers to James Rogers.

[100]On family ties between slave dealers and pawns, see the evidence of John Ashley Hall, in Lambert (ed.), *Sessional Papers*, vol.72 (1790), 227.

[101]P.R.O. C107/12, 20 July 1788, Richard Rogers to James Rogers.

from the coast, they could at least theoretically still be redeemed. Other masters almost certainly calculated matters differently from Rogers, but there are indications that he was not alone in expecting a ratio of two pawns to three slaves.[102]

The premium on pawns probably reflected, among other things, their healthiness relative to slaves and thus their higher chances of surviving the middle passage and being sold for a good price in the Americas. As Rogers succinctly put it in July 1788 (and which we acknowledge in our title), he had `some fine fellows On bd. the Pearl @ Pawns Will Live when Slaves is Apt to Dye'.[103] Implicit in Rogers's comments is the assumption that the pawns were equivalent to the young adult males who were considered the `prime slaves' of the trans-Atlantic market.

Although the number and status of people to be pawned was subject to negotiation, linking pawnship with credit ensured that the parties to negotiation shared an interest in prompt settlement of contracts. As a result, credit arrangements at Old Calabar were consistent with `economizing on transactions costs'.[104] They did not, however, guarantee that the parties would keep their promises. Keeping promises was perhaps especially problematical for local merchants who were dependent on other parties or events outside their control to meet their obligations. Indigenous institutions, of which the *Ekpe* society was the most important, played a major part in policing and enforcing contracts.[105] Indeed, *Ekpe* sometimes ordered Efik traders to `settle' disputes with

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[102]For instance, James Arnold, in evidence to Parliament in 1790, reported that the master of the Bristol ship, *Ruby* which traded at Bimbia in Cameroons in 1787-8 had released 11 slaves and some ivory to three local merchants in order to allow them to redeem pawns from another ship, the master of which was threatening to sail away with pawns. Arnold reported that the 11 slaves secured the release of `Six or Seven' of the merchants' pawns (Lambert ed.), *Sessional Papers*, vol.72 (1790), 52.

[103]P.R.O. C 107/12 20 July 1788, Richard Rogers to James Rogers.

[104]Williamson, *Economic Institutions*, 17.

[105]Latham, *Old Calabar*, 28, 38.

exporters or to replace pawns who had absconded from European ships.[106]

The terms of this private ordering also included the possibility that, if slaves were not delivered on time, masters of ships would sail away with the pawns that traders had lodged with them. In short, there were other sanctions used against traders who reneged on promises in addition to the judgements of *Ekpe*. According to one report, pawns were often `the sons and daughters of traders' and the latter were `always particularly anxious' about their fate and `seemed much distressed whenever they took up an idea that the ship would sail away with the pawns'.[107] Concern over the fate of their kin was perhaps compounded for slave dealers by the possibility that, as we have seen, pawns might be passed between ships. We do not know if masters needed approval from local traders for such transfers, although in local practice, as far as known, such alterations in pawn-creditor arrangements required the approval of close kin. There were instances when traders sought to protect pawns from enslavement by `blowing ekpe' on ship masters who might be tempted to abscond with them[108]; the crew of ships were sometimes seized or `panyarred' to force the return of pawns.[109] This potential for arbitrary action was always just below the surface. Until they were redeemed, British merchants normally regarded pawns as enslavable by sale in the Americas `if their friends refuse, or are not able to redeem them'.[110] Ship captains were ready to sail with pawns on board, should conditions warrant the risk. Commercial pawning, therefore, was apparently governed by a precise time schedule, unlike domestic pawnship which could continue indefinitely, even into a subsequent

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[106]`Diary', 49, 59.

[107]Evidence of John Ashley Hall, in Lambert (ed.), *Sessional Papers*, vol.72 (1790), 227.

[108]`Diary', 59-60. According to Donald Simmons (ibid, 70), to `blow Egbo' on someone means to suspend all dealings with the person.

[109]Williams, *Liverpool Privateers*, 543.

[110]Evidence of James Fraser, in Lambert (ed.), *Sessional Papers*, vol. 71 (1790), 15.

generation, unless other arrangements were made. Often such arrangements, involving women, resulted in marriage contracts that recognized the continuation of the debt. Sometimes, although the justification of such actions is seldom clear, pawns became slaves.[111] The reduction of commercial hostages being held as pawns to slavery was, therefore, not the only situation in which the status between slave and pawn became blurred.

Moreover, pawns and therefore debts were transferable between ships, which further blurred the distinction between slaves and pawns but also facilitated coastal transactions. In April 1788, when the *Pearl* had 60 pawns as well as 50 slaves on board ship, Rogers observed that `most of the Pawns [had been] redeem'd from other Ships'.[112] Whether the level of transfers and thus the commercialization of pawnship also were also features of domestic pawnship in the interior remains, however, uncertain.

The possibility that pawns might be confiscated provided perhaps the most powerful single inducement to slave dealers to meet their obligations. If *Ekpe* and pawnship arrangements could not assure timely delivery of slaves, then losses could be reduced through private action. In this respect, slave trading at Old Calabar in the late eighteenth century was governed more by private ordering than by legal centralism. A feature of such ordering was the possibility of arbitrary enslavement. While credit was firmly embedded in social relationships, this tendency towards opportunism undermined that very embeddedness of the credit mechanisms.

Slaving activities at Old Calabar constituted an example of what some scholars have described as cross-cultural trade. Curtin has argued that commercial diasporas revolving around related groups of traders living in dispersed communities were vital

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[111]Falola and Lovejoy (eds.), *Pawnship in Africa*, 4.

[112]P.R.O. C 107/12.

to the growth of such trade.[113] Landa has demonstrated that such `ethnically homogenous trading groups' are able to minimize the risks of trade through a series of `insider' arrangements; the conduct of business outside the group introduces risks that raise the costs of transactions. Because of social, economic and institutional factors, commercial exchange at the `interface' between European and African merchants had to develop mechanisms to facilitate trade.

Although we do not know precisely when credit became a regular feature of Anglo-Calabar trade, there is clear evidence that British traders who dominated trade with Old Calabar habitually advanced trade goods to Efik middlemen in the late eighteenth century. This practice continued during the palm oil era that followed British abolition of slaving in 1807.[114] Credit advances undoubtedly helped to expand the scale of slave and other exports from the region and probably encouraged the consolidation of control of such exports by a small group of leading commercial houses. As a result, credit shaped economic relations at the coast as well as between the coast and interior.

The importance of credit is highlighted by the difficulty of conducting transactions in the currencies of the trade. As Guyer has argued, European traders supplied commodities that served as currencies in West Africa, but these currencies remained almost completely inconvertible and outside the region within which they circulated they were not accepted as legal tender.[115] In the case of Old Calabar, the currency in use locally was the manilla, a bracelet-shaped piece of brass that was imported by British merchants. As with other currency zones within West Africa, manillas were imported but otherwise remained relatively isolated; conversion to European currencies

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[113]Curtin, *Cross-Cultural Trade*, 48.

[114]Martin Lynn, `Bristol, West Africa and the 19th Century Palm Oil Trade', *Historical Research*, 64 (1991), 363-64; Martin Lynn, `The West African Palm Oil Trade in the Nineteenth Century and the "Crisis of Adaptation"', in Robin Law (ed.), *From Slave Trade to `Legitimate' Commerce* (Cambridge, 1995), 60.

[115]Guyer, `Currency Interface', 9.

was achieved through the credit system based on pawning, with default resulting in slavery. According to Guyer, the relative isolation displayed in this currency `interface', in turn, deterred European capital from penetrating and shaping the economies of pre-colonial West Africa. Our findings suggest the opposite, however. Despite the so-called `currency interface', inflows of British capital were achieved, the results of which encouraged the integration of the Cross River region and its hinterland into the wider Atlantic economy after 1750, a process that had probably begun earlier still.

Expansion of credit had important implications for Anglo-Efik commercial relations as British traders sought protection against non-payment of debt. Building trust with local merchant houses perhaps offered some protection against the risk of defaulting on loans. But the lodging of pawns with shipmasters seems to have become the principal means used as surety for loans at Old Calabar in the late eighteenth century. At one level, the evolution of this practice at Old Calabar offers an example of transactions costs economizing. However, as pawnship was also a method of securing loans in the domestic economy, pawning people as collateral for imported credit represented an important adaptation of local institutions in order to promote and facilitate cross-cultural exchange. Similar adaptations of other indigenous organizations such as *Ekpe* probably occurred. In this respect, slave trading at Old Calabar provides a graphic illustration of how, despite cultural and other differences at the `interface', financial and commercial innovations allowed cross-cultural trade to flourish in pre-colonial West Africa. Price's observations on the importance of credit in the development of the slave systems of the Americas can therefore be extended to Old Calabar, at least. Moreover, our study indicates the mechanisms for credit in themselves could enmesh European merchants in African institutions. The tentacles of merchant capital appear to have been more far reaching than previously thought.

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