Sir George Dashwood Taubman Goldie, KCMG FRS (20th May 1846 – 20th August 1925)
In loving memory of Nani, for filling my life with stories that made me ever so curious about the past

***
Table of Contents

Acknowledgements .......................................................................................................................... 5

Maps .............................................................................................................................................. 6

Introduction .................................................................................................................................. 11

Chapter I: Incorporating Sovereignty ......................................................................................... 22

Chapter II: Contracting Sovereignty ......................................................................................... 34

Chapter III: Opening and Closing Markets ............................................................................... 45

Conclusion ................................................................................................................................. 58

Bibliography ............................................................................................................................... 62
Acknowledgements

This work would not have been possible without the support of several faculty members that have guided me, revised my writing and sharpened my thinking over the past few years. Special thanks go to Professors Mamadou Diouf and Marwa Elshakry for their steadfast support in extensively editing and commenting on several drafts of this paper, constantly challenging me to think beyond the confines of the archive and push the boundaries of my knowledge to put forth an original history of imperial expansion into West Africa. Professor Deborah Valenze has been an incredible help in thinking through the material and advising me both in and out of the classroom. Our coffees at Joe have been an integral part of my personal intellectual development at Columbia. Additionally, I would like to thank the department for supporting my research in London over the summer of 2018 through the Howard and Natalie Shawn Fellowship.

I owe a great debt to all my peers in various disciplines for tolerating me throughout this process. Thank you especially to Bani Sapra and Theresa Yang, who since freshman year have had the painstaking responsibility of editing my writing and without whom this work would not have materialized.

Finally, I would like to thank my family for their support: my father, for tolerating my flirtations with academia for the past few years; my mother, for instilling in me a love for writing that I will carry for the rest of my life; my sister, for our ‘intellectual’ discussions; my cousin Maha, for her advice and, above all else, my Nani, for giving me the love and respect for history that has brought me to this point.
Map I: British Nigeria c. 1953

Map II: The Niger Delta c. 1953

Map III: Niger District c. 1887

Map IV: Sokoto Caliphate

Interviewer: “It would be interesting to know to what do you attribute the success of the Company?”

Goldie: “Chiefly to our following a definite plan from the commencement, instead of growing up by accident. I do not mean that we have not modified details or plans under stress of circumstances, but in the main the policy conceived on the Niger in 1877 has been maintained to this day, and has been played out like a game of chess”.

Reuters, July 5th 1899

***
Introduction

On New Year’s Day of 1900, the British government formally discharged the Royal Niger Company (RNC) from its administrative responsibilities and assumed the financial and logistical burden of administering the Niger Territories. Commenting on the transfer of power and his decision to disassociate from the company in an interview with Reuters in July of 1899, the RNC’s founder and pioneering force, Sir George Dashwood Taubman Goldie (1846 – 1925), explained, “There are two personal reasons for my ceasing to belong to the Company when it ceases to govern Nigeria. The only one that I choose to make public is one of pride”.¹ Goldie’s name had become practically synonymous with both the RNC and Niger over the course of his twenty-three-year career. His commercial drive and political acumen had managed to build Britain’s presence in Nigeria by establishing the second British chartered company after the Royal African Company (RAC) to operate on the African continent (Map I). By the end of the company’s fourteen-year stint as an administrative and commercial powerhouse (1886 – 1900), however, Goldie’s attitude towards his own legacy was rather inauspicious. He reflected, “Probably my name will soon be forgotten in connection with Nigeria, and to this I am indifferent”.² From a man who had done much in service of the Empire, this nonchalant attitude is perplexing. For Goldie’s sake, let us connect the dots.

Little is known about Goldie’s personal affairs and perhaps that is how he wished it to be. Before his death, the Manxman had most of his private papers and correspondence burnt and forbade his children from writing anything about him, for fear of haunting them from the grave.³

² Muffett, Empire Builder, 200.
This destruction has posed a great challenge for the few that have ventured to study his persona and company, but the Goldie that lives on in the archives of the Foreign Office and its correspondence with the RNC’s directors is nevertheless crucial for any student of British imperial history and the history of West Africa. He was the mastermind behind the company’s creation, expansion and its eventual transfer to the Crown. For historians who have studied the rise of the RNC to date, the focus has been Goldie’s own life story and journey through the Niger in both commercial and administrative capacities. These ‘histories’, however, tend to veer on the side of nostalgic narratives of Goldie’s ingenuity, rather than critical assessments of the commercial and administrative apparatus he built over the course of his career. Above all else, these few works urge but do not answer the question: to what extent did private enterprise dictate Britain’s relationship with the Niger territories? This study examines the way in which commercial interests shaped Britain’s relationship with the Niger during the ‘scramble’ for Africa (1870s-1890s). Ultimately, it demonstrates (i) that corporate and political maneuvering by Goldie and the RNC enabled Britain to stake a claim to the Niger territories in a ‘scramble’ that began towards the end of the 1870s, (ii) that sovereignty was a crucial element of the RNC’s business model, such that the company’s commercial viability was contingent on excluding competition and developing a monopsonisitic marketplace, and (iii) that imperial expansion into the Niger was the byproduct of Goldie’s vision of free trade that simply meant allowing the RNC to operate with impunity.

As this study reveals, it was Goldie who laid the foundations for any substantial British claim to the land along the Niger and Benue rivers for the sole purpose of securing his commercial interests. By the late 1880s, the British presence in the Niger territories was the product of Goldie’s commercial and political maneuvers that made the company both a monopolistic and administrative bulwark against indigenous and foreign competition. The grant of a royal charter allowed the company to become a quasi-sovereign entity, and the administrative, judicial and policing powers enshrined in the charter permitted it to both participate in and regulate the trade such that, by the end of the 1880s, the RNC had secured an effective trading monopoly along the rivers to dictate the terms of commerce. In sum, Goldie’s commercial maneuvering in the Niger delta and his political maneuvering at home combined to enable him to build a profitable company-state at the forefront of Britain’s West African scramble.

The RNC’s rise is just one example of the way in which British enterprise and ‘big business’ penetrated the African continent in the late nineteenth century. It was the first attempt at reviving the chartered company model in Africa but certainly not the last. After Goldie secured a royal charter in 1886, both Mackinnon’s Imperial British East Africa Company (IBEAC, 1888) and Rhodes’ British South Africa Company (BSAC, 1889) soon followed suit.

5 A Royal Charter was a legal instrument of incorporation granted by the Crown to select companies that gave them distinct, quasi sovereign responsibilities and objectives. Examples include the East India Company (EIC), Royal African Company (RAC), Imperial British East Africa Company (IBEAC), British South African Company (BSAC) and the RNC, to name a few.


7 The RNC was the first to receive a royal charter in Africa in the nineteenth century. Previously, however, the Royal African Company (RAC) had received a charter in the seventeenth century to pursue the slave trade, but the RAC ceased to operate by the mid-eighteenth century. See K.G. Davies, The Royal African Company (London, UK: Routledge, 1999).
Of the three chartered companies operating on the continent, the BSAC has undoubtedly received the lion’s share of attention due to the fact that Southern Africa was wealthier than other regions, and because the principal British colonies, Rhodesia and South Africa, were large settler colonies.\(^8\) The IBEAC and RNC, on the other hand, have not been as fortunate, most likely because the sum of their trade represented a relatively minuscule amount of the Empire’s trade volumes.\(^9\) Nevertheless, as the first model of chartered-company rule on the continent it is important to study the implications of the RNC’s rise to develop any understanding of the nature of late-Victorian imperial expansion in sub-Saharan Africa. In the case of the RNC, chartered-company rule demonstrates how the terms of imperial expansion into West Africa were, above all else, dictated and organized by specific commercial interests that revolved around controlling the market for raw goods sourced from the hinterland.

Since the early twentieth century, scholars have debated the nature of late-Victorian imperial expansion across the world. These accounts often attempt to synthesize data from different corners of the Empire to construct a general notion of the Victorian imperial mindset, drawing primarily or almost exclusively from the perspective of policymakers in Downing St and Whitehall.\(^{10}\) In these accounts, tropical Africa occupies a relatively minor place in the Victorian imperial imagination, in part because its relative contribution to overall British trade


remained small well into the 1900s. These early and mid-twentieth century accounts tend to emphasize Britain’s attempts to incorporate the ‘periphery’ into its Empire or Marxist interpretations on imperialism’s place in the stages of capitalist development.

Robinson and Gallagher’s collective work in “The Imperialism of Free Trade” draws crucial continuities between mid and late-Victorian attitudes towards imperial expansion. As they explain, “the usual summing up of the policy of the free trade empire [of the mid-Victorian period] as ‘trade not rule’ should be read ‘trade with informal control if possible; trade with rule when necessary’”. In effect, the argument insists that the policymakers of the late-Victorian period were no more imperialist than those of the mid-Victorian one, despite the fact that they annexed more territories into the fold of ‘formal empire’. Rather, the conditions of the late-Victorian trade were such that policymakers were compelled, due to external pressures, to annex territories into the 1890s. The study suggests that “it is only when and where informal political means failed to provide the framework of security for British enterprise (whether commercial, or philanthropic or simply strategic) that the question of establishing formal empire arose”.

However, if “in tropical Africa the imperialists were merely scraping the bottom of the barrel”, then why did policymakers care that ‘informal’ Empire had not worked in the first place? Why bother incorporating the tropics into the ‘formal’ Empire if they were not valuable?

In a follow-up book, Africa and the Victorians, Robinson and Gallagher expand their account of Africa’s incorporation into the British Empire in the late-Victorian period. The authors acknowledge that tropical Africa’s annexation was rather atypical of the general

---

trajectory of British imperial expansion as outlined in their earlier article. There is an “apparent paradox” in the tropical case: “the main streams of British trade, investment and migration continued to leave tropical Africa practically untouched; and yet it was tropical Africa that was now bundled into the empire”. In this region, imperial expansion was not following lucrative trade. In their view, “government policy in West Africa seems to have evolved as a byproduct of three major crises, one in Egypt, another in Europe, a third in the domestic politics of Great Britain, and a minor crisis on the west coast itself”. Following this train of thought, there would not have been any ‘scramble’ in Africa without the British occupation of Egypt in 1882, which precipitated reactions from all European actors in the African arena. Despite a rather Anglo-centric view of the causes of the ‘scramble’, the authors conclude that the British government’s incorporation of the Niger region into the formal Empire was contingent upon external pressures that compelled them to protect the interests of traders along the coastal regions.

One of the largest pitfalls of the Robinson-Gallagher paradigm is the perspective through which the authors attempt to construct a logic of imperial expansion. They look for reasons for the annexation of tropical Africa through the eyes of policymakers as policymaking, in their perspective, “is the unified historical field in which all the conditions for expansion were brought together”. Therefore, “by trying to reconstruct the calculations behind the higher decisions, the interplay of these elements as they worked at different levels may begin to emerge”. This methodology depends on there being a logic to ‘higher decisions’ that guided imperial expansion. It might equally be, however, that motivations for expansion were region-specific,
and that a varied group of interests outside the confines of policymakers and government ministers sought the incorporation of the tropics into the Empire for their own, private benefit.

This explanation forms the basis for a different account of late nineteenth century imperialism offered by Cain and Hopkins. Their notion of ‘gentlemanly capitalism’ insists that the rising power of strong financial and services industry-backed interests towards the end of the century created a new kind of imperialism, spearheaded by ‘gentlemanly capitalists’ who sought to reap commercial benefit from virtually all corners of the earth. As in the Robinson and Gallagher model, trade is a central vehicle of imperial expansion; however, the perspective is shifted away from an ‘official mind’ and turned towards that of the private sector and, particularly, of the City (London). The model is not without its flaws, and the authors do not precisely convince the reader of the gentlemanly nature of late-Victorian capitalism. Nevertheless, Cain and Hopkins provide a critical opening into reconsidering late-Victorian expansion into tropical Africa as a function of the particular interests financially invested in the region’s commercial success.

These debates proved inconclusive at developing a theory of imperial expansion in part because the project itself is too broad. More recently, scholarly focus has shifted from an examination of the motives and mechanisms of imperialism, to regionalized studies of the impacts of colonialism in the various corners of Empire. This provides an opportunity to evaluate the older theories of imperialism in light of new case studies of more localized, regional focus.

---


20 For a concise critique of the framework, see Geoffrey Ingham, "British Capitalism: Empire, Merchants and Decline," Social History 20, no. 3 (October 3): 341-348.
Whereas imperialism meant the expansion of a country’s economic, political and/or military power beyond its borders, colonialism was the system of localized administration, governance and regulation that often resulted from nineteenth-century European imperial aspirations.\textsuperscript{21} The discourse on ‘big business’ in Africa has focused on the imperial explanations for European capitalism’s intercourse with the continent; however, these dated studies paid little attention to the way in which the precise technologies of colonial administration can inform theories of imperial expansion.\textsuperscript{22} Rather than view imperial expansion into tropical Africa and colonial rule in Nigeria as distinct fields of study, historians must start from the fundamental principle that Nigeria’s early, company-run administration was fashioned as a means to an end: it existed solely to serve the commercial interests that urged imperial expansion.

From this lens it becomes easier to discern the particular motivations for and interest groups behind imperial expansion in the Niger territories. Territorial expansion by treaty and trade regulations were the most fundamental elements of the Niger government’s administration in the early company-controlled years, such that the formation of a colonial administration in 1900 and the British relationship with local populations were contingent on the company’s commercial interests. In the 1920s, Goldie’s own system of indirect rule was absorbed by Lord Frederick Lugard into the British government’s Nigerian policy, and from there into its model for other colonies.\textsuperscript{23} By the end of its tenure as the administrative power, the company had


\textsuperscript{22} For a classic example of ‘big business’ history in Africa see: Roger J. Southall, "Cadbury on the Gold Coast, 1907-1938: The Dilemma of the 'Model Firm' in a Colonial Economy" (PhD diss., University of Birmingham, 1975).

\textsuperscript{23}Mamdani, \textit{Citizen and Subject}, 76-77.
developed a constabulary force, a vast network of agents and stations along the rivers and a judicial arm to settle disputes among traders and the locals all in the name of commercial expediency. It was a crude administration fashioned around the interests of the RNC, which then formed the basis of British Nigeria’s administration. Therefore, to understand British imperialism in the Niger territories it is necessary to examine the way in which early administrative structures were initially conceived.

It is unclear as whether Goldie can entirely be considered a ‘gentlemanly capitalist’ in Cain and Hopkins’ terminology. Far from aligning his interests with that of the City’s financial elite he chose to do whatever he thought would best benefit his own company’s administrative and commercial ends.24 As Cain and Hopkins explain, “in West Africa, as with the Congo, Portuguese Africa and south-west Africa, the Foreign Office was concerned less with sovereignty than with access: if foreign rivals could be persuaded not to discriminate against British goods and capital, then Britain’s interests could be upheld without the burdens of territorial responsibility”.

If, as Cain and Hopkins suggest, the Foreign Office’s concern was “less with sovereignty than with access” to trade, then it would seem that Goldie’s concern with gaining sovereignty was a means to securing access. Goldie’s triumph was that by 1886 he had managed to get the two models of imperial expansion to align with each other. What existing scholarly models of imperial expansion do not adequately capture is that, along the Niger, it was Goldie who realized long before any real geopolitical scramble that sovereignty and administrative rule were

---

25 Cain and Hopkins, British Imperialism, 352.
prerequisites to any form of profitable trade that tilted the balance of power in favour of the European trader. His political and commercial posturing suggested a vision of a highly consolidated commercial landscape on the Niger, such that securing ‘access’ to free-trade essentially meant ensuring that the RNC could control the market and act with impunity. Amid declining commodity prices, the company could only be a viable concern in a strictly insulated marketplace (Table I).

<table>
<thead>
<tr>
<th>Year</th>
<th>Palm Oil Price per ton</th>
<th>Palm Kernel Price per ton</th>
</tr>
</thead>
<tbody>
<tr>
<td>1881</td>
<td>30</td>
<td>12</td>
</tr>
<tr>
<td>1882</td>
<td>33</td>
<td>12</td>
</tr>
<tr>
<td>1883</td>
<td>39</td>
<td>15</td>
</tr>
<tr>
<td>1884</td>
<td>35</td>
<td>14</td>
</tr>
<tr>
<td>1885</td>
<td>28</td>
<td>12</td>
</tr>
<tr>
<td>1886</td>
<td>22</td>
<td>10</td>
</tr>
<tr>
<td>1887</td>
<td>22</td>
<td>10</td>
</tr>
<tr>
<td>1888</td>
<td>20</td>
<td>10</td>
</tr>
<tr>
<td>1889</td>
<td>23</td>
<td>10</td>
</tr>
<tr>
<td>1890</td>
<td>25</td>
<td>12</td>
</tr>
</tbody>
</table>


Opening the market to the RNC meant overhauling the historical dynamics of the Niger trade to build an infrastructure that tilted the balance of power in the company’s favour. This had a lasting effect on both local and smaller European traders, but it was largely competition among Europeans that proved the greatest impediment to the RNC controlling the region. It was a fight between Europeans, about European affairs and for European commerce that had the gravest implications for Africans well into the present century. Goldie wanted direct access to hinterland markets that sourced the raw goods European traders had previously only purchased from middlemen along the coast. His business maneuvers from 1877 to the early 1890s reveal a
meticulous trajectory to commercial consolidation along the rivers to this precise end. Through political maneuvering Goldie’s commercial interests dictated the British policy towards the Niger. The government was conscious of his intentions, since in 1885 the Foreign Office remarked in a memo that: “Mr. Goldie Taubman is a most able man, but he is, body and soul, devoted to the interests of the Company and finds it difficult to comprehend the necessity of tending to considerations of policy”. By 1886 this would not matter, because, as this thesis will show, the interests of the company would become policy.

The discussion is laid out as follows: Chapter I shows how the rise of the RNC and Britain’s claim to the Niger territories were the products of Goldie’s business and political manoeuvres in London and on the continent. Chapter II demonstrates how the company used a system of treaties to penetrate deeper upstream to secure favorable terms of trade and expand its own dominion. Chapter III illustrates how the company’s ability to both administer and participate in the trade was used towards creating an effective monopoly over the region. In the concluding chapter, larger implications for the RNC’s rise and its impact on the eventual colonization of Nigeria are illustrated. The story begins on the Niger delta in the late 1870s, when Goldie first set his eyes on the prize.

---

26 Quoted from: Robinson, Gallagher, and Denny, *Africa and the Victorians*, 182.
Chapter I: Incorporating Sovereignty

In Goldie’s view, the Niger trade of the 1870s was completely disorganized and limited to the coastal tributaries of the Niger river. By the end of the 1880s, the RNC, emerged as the unifying force that set out to regulate, administer and protect commercial activity along both the Niger and Benue. It was Goldie’s business and political acumen that built the company in the years between 1877 and 1886, when it finally received a royal charter. The formative years shed light on the way in which the RNC’s directors made the Niger territories relevant to the Crown, so that the government took possession of the region at the Berlin Conference (1884 – 1885) and subsequently transferred the administrative burden to the company. Positioning both the firm and, consequently, Britain to claim the Niger meant taking control of the trade networks along the rivers by buying out the interests of all major British and foreign competitors. Therefore, Britain’s claim to the territory at Berlin was dependent upon the company’s ability to position itself as the dominant player in control of the Niger trade.

Soon after reaching the Niger delta in 1877, Goldie recognized that competition between European traders for access to the trade had often resulted in an unfavorable balance of power that privileged local middlemen along the coast over Europeans. There was a system in place, whereby European traders procured raw goods from African middlemen that traveled up and down the rivers. Until the 1880s, European traders had largely been restricted to the coast primarily due to the fact that steamers could not effectively navigate through the inconsistent depths of the Niger, which made it virtually impossible for them to reach inland markets. For access to this trade, they had by-and-large depended on these local middlemen (such as the

Brass) to sell them palm oil, palm kernels, shea and ivory from upstream in exchange for spirits, arms, ammunition, textiles and cowries available at trading posts along the coast. On both sides of the market, the dynamic was buy low, sell high.

Goldie was disturbed by several aspects of these existing market dynamics. First, traders’ dependence on middlemen as the key to the hinterlands seemed highly inefficient and costly. Middlemen relied on marking-up sale prices of both the commodities that they purchased from European traders and the ones purchased from suppliers along the Niger to sustain their trade, which Goldie saw as a crucial weakness in this fragile system. Second, competition among Europeans on the coast was intense and Europeans’ disorganization and relative weakness was often exploited by local people to their own advantage. At Aboh, for example, a guard could be stationed outside the dwellings of any European that failed to succumb to the demands of the locals, effectively resigning him to house arrest until he caved. Additionally, due to the various firms trading along the coast, local merchants could choose their trading partners, tilting the balance of power further in their favour. Perhaps the most egregious consequence was, however, that competition between European firms led to the use of local people as proxy militia against rival Europeans. In one instance in 1876, a ship belonging to the Miller Brothers trading company was attacked by the Brass, outfitted with arms supplied by Liverpool traders. Finally, as a result of this rather fierce competition, there was no administrative or institutional structure

29 Brass is a town located at the mouth of the Brass River (a tributary of the Niger) on the Atlantic coast. The name ‘Brass’ was given to the area and its people (the Nimbe) allegedly because of the brass pans that they traded for during the slave trade. They were an integral group in both the slave trade and the burgeoning palm oil and palm kernel trade of the latter-nineteenth century, as they were one of the few groups that acted as middlemen between European traders and the upstream markets. As the RNC began to cut the Brass out of the trade, the Brass violently retaliated against the company in 1894. See: Adebiyi Tepowa, “A Short History of Brass and Its People," Journal of the Royal African Society 7, no. 25 (October 1907): 32-88.
31 Ukpabi, Mercantile Soldiers, 9.
that regulated and protected the interests of European traders in the region. While the Treasury had resisted the economic burden of regulating British commercial interests in the delta, Goldie saw a business opportunity that could cement British control over the region and solve some of the structural problems of the Niger trade. The years between 1876 and 1886 were when Goldie set up the institutional framework that would allow Britain to stake a claim to the region at Berlin through a series of corporate, legal and political maneuvers.

The first known British trading interest to appear in the region was Manchester-based Thomas Clegg, Clare & Company, which began importing cotton from Abeokuta in 1851. In 1862, the West Africa Company Limited was incorporated with Clegg as its largest shareholder and by 1870, three other British trading companies appeared along the coast: Holland Jacques & Company, Alexander Miller Brother & Company and James Pinnock. Thus in 1871, there were three British steamers in the Niger stationed at Egga—the West Africa Company’s Victoria, Holland Jacques’ King Masaba and the Miller Brothers’ Ja Ja—with Pinnock’s Rio Formoso on the Benue. By 1875, however, the smallest firm, Holland Jacques, had come under such financial duress that its secretary, Captain Grove-Ross, appealed to his distant relations, the Taubman family, for help. In a matter of months, the family purchased the assets of the firm with Goldie at the helm. In May of 1876, he reorganized the firm by incorporating a new company, the Central African Trading Company (CAT), to purchase the assets of Holland Jacques and reconstitute the company’s primary interest as “the making and carrying into effect of arrangements with respect to the union of interests, or amalgamation, either in whole or in part, of the company with other companies”. In so doing, he mapped out an expansionary trajectory for the CAT based on buying the interests of its competitors. The strategy was to eliminate the competition, and by

32 Flint, Sir George, 30.
1879 Goldie was able to successfully combine the remaining three major British trading concerns to create the United Africa Company Limited (UAC).

While the establishment of the UAC seemed to provide a solution to the issue of competition among major British traders, it did not prevent foreign trading companies from operating along the rivers. As Britain had not formally made territorial claims to the delta, the lack of any European authority to regulate trading rights remained an unresolved issue that allowed French companies to engage in the local trade alongside British firms. The biggest challenge for Goldie after the establishment of the UAC was to secure some sort of monopoly over the Niger trade as a means to staking territorial claims. However, by 1882 there were three prominent French companies complicating Goldie’s plans: the Compagnie Française de l’Afrique Equatoriale (CFAE), Compagnie du Sénégal et de la Côte Occidentale d’Afrique and Messrs Desprez Huchet & Co. Tackling French competition meant bringing the Niger to both the Foreign and Colonial Offices’ attention. Historically, however, the Cabinet had committed little to no financial and military assets to the disorganized traders along the Niger, but Goldie felt that in light of the establishment of a single, dominant British player he could push for support by means of a royal charter.

The reality was that the British government did not care about the Niger trade beyond ensuring that it was open to British merchants, because its overall contribution to the imperial economy was so small (Table II). Prior to the mid-1880s, the Lower Niger had been unclaimed by any single European power, and Britain’s interests in the region remained limited. Between 1880 and 1884, exports from tropical Africa had totaled around £1.3 million, and imports totaled around £1.5 million. Respectively, these figures represented roughly four percent of the value of
goods exported to and imported from India alone. The increase in French activity along the rivers further upset Goldie’s plans to dominate the local trade networks. Not only was the Niger irrelevant to policymakers, but also there was no tangible basis to further Goldie’s ambitions of British sovereign dominion.

<table>
<thead>
<tr>
<th>Year</th>
<th>Imports</th>
<th>Exports</th>
<th>Net Exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>1887</td>
<td>73,819</td>
<td>223,450</td>
<td>149,631</td>
</tr>
<tr>
<td>1888</td>
<td>120,878</td>
<td>230,073</td>
<td>109,195</td>
</tr>
<tr>
<td>1889</td>
<td>139,465</td>
<td>260,846</td>
<td>121,381</td>
</tr>
<tr>
<td>1890</td>
<td>180,692</td>
<td>286,200</td>
<td>105,508</td>
</tr>
<tr>
<td>1891</td>
<td>224,729</td>
<td>335,000</td>
<td>110,271</td>
</tr>
<tr>
<td>1892</td>
<td>181,012</td>
<td>341,800</td>
<td>160,788</td>
</tr>
<tr>
<td>1893</td>
<td>159,989</td>
<td>405,935</td>
<td>245,946</td>
</tr>
<tr>
<td>1894</td>
<td>99,000</td>
<td>342,000</td>
<td>243,000</td>
</tr>
<tr>
<td>1895</td>
<td>152,000</td>
<td>337,000</td>
<td>185,000</td>
</tr>
<tr>
<td>1896</td>
<td>167,000</td>
<td>376,000</td>
<td>209,000</td>
</tr>
<tr>
<td>1897</td>
<td>179,000</td>
<td>330,000</td>
<td>151,000</td>
</tr>
<tr>
<td>1898</td>
<td>236,000</td>
<td>357,000</td>
<td>121,000</td>
</tr>
</tbody>
</table>

*Estimates


With the dissolution of the East India Company (EIC) in 1858, the chartered company as a means of rule-by-proxy had seemed to become a thing of the past. However, in 1881 the Crown granted a charter to the British North Borneo Company to secure its trading rights over the island, which opened a window for Goldie and the UAC to cement their monopoly over the Niger and discourage foreign competition once and for all. In order to pursue a charter Goldie was forced to take several steps to position himself and the company as a good candidate for the responsibility. There were four key impediments: the UAC did not have sufficient capital, the company’s legal structure was not entirely conducive to receiving a charter, the board and

---

management committee were not comprised of influential political and social figures who could liaise with the Foreign Office and the existence of the French companies along the Niger diminished any claim to regional dominance.\textsuperscript{34}

In his interview with \textit{Reuters} in 1899, Goldie remarked that previous attempts to obtain a charter in 1881 had taught him that a charter would only be possible if he could accumulate more capital.\textsuperscript{35} Therefore, upon the advice of his counsel, he incorporated the National African Company Limited (NAC) as a public company on July 8\textsuperscript{th}, 1882 under the Companies’ Acts of 1862 and 1880 to purchase the assets of the UAC and increased the nominal capital of the company to £1 million.\textsuperscript{36} This maneuver had the effect of giving the company unprecedented scale in the region. In addition to the threefold increase in the nominal capital of the new company, the NAC had been incorporated with the ability to assume the responsibilities incumbent upon any chartered company. The memorandum of association now stipulated that in addition to the responsibilities accorded to the trading operations of the company (i.e. banking, shipping), the NAC would now have the ability “to apply for, acquire and hold any Charters, Acts of Parliament, privileges, monopolies, licenses, concessions, patents, or other rights or powers from the British Government...” and could “constitute or incorporate the Company as an anonymous or other society in any foreign country or State”.\textsuperscript{37} These new privileges set the legal foundation for justifying and supporting any claims to sovereign jurisdiction in the areas where

\textsuperscript{34} Baker, \textit{Trade Winds}, 39-40.
\textsuperscript{35} “The Niger Territory: Sir George Goldie’s Views,” \textit{The Scotsman} (Edinburgh, Scotland), July 5, 1899, 10.
\textsuperscript{36} The nominal capital of the UAC had been set at £250,000, but with the incorporation of the NAC in 1882 the nominal capital had been increased to £1,000,000 and the company set to float publically with 100,000 shares outstanding at £10 per share. This maneuver largely solved Goldie’s capital problem. See: Julian Paunceforte to Sir J. Deane, "No. 5," July 14, 1886, FO 881/5610, Africa: Corres. Royal Niger Company Part 1, National Archives, London, U.K.
the company had negotiated treaties with the local population. The ability to govern was enshrined in the NAC’s own corporate, legal documents.

Garnering support for the charter meant bringing important elements of London’s political and business elite into the fold. As of 1882, the NAC’s board was composed of John Senhouse Goldie-Taubman (Goldie’s half-brother), C.W. Mills (the firm’s banker from Glyn Mills & Currie), J.F. Hutton (cotton trader, Liberal MP and president of the Manchester Chamber of Commerce), George Miller (from the Miller Brothers trading company), James Pinnock, and Clifford B. Edgar and James A. Croft (both directors of other public companies). Goldie, John Edgar and Alexander Miller were elected by the board on August 2\textsuperscript{nd}, 1882 as the managing subcommittee tasked with the daily operations of the company. For Goldie to receive a charter, however, the NAC would have to have a more influential lot behind it to press for the privilege. This came in the form of Lord Aberdare (Home Secretary from 1868–1873), who became Chairman of the NAC and one of Goldie’s staunchest advocates in London’s political circles. His appointment would allow Goldie and the company to communicate directly with the Foreign Office, Colonial Office and Treasury. On February 13\textsuperscript{th}, 1885 it was Lord Aberdare who wrote directly to the Earl Granville, then Foreign Secretary, to persuade the ministry that a royal charter had become “absolutely necessary for the proper and peaceful conduct of affairs on the Niger and Binué”\textsuperscript{38}. These changes to the corporate structure of the NAC could only bear fruit if Goldie were to successfully repel French traders from the territories the company operated in. Claims to regional dominance were belittled by the French presence. The Compagnie Française de l’Afrique Equatoriale of Paris was founded by the Comte de Semellé in 1880 and its commercial

success can easily be attributed to its agent-general, Commandant Antoine Mattei. By the end of 1880, Mattei had established posts at Abo, Onitsha, Lokoja, and Egga on the Niger river and Loko on the Benue, posing a significant threat to the NAC’s presence in the Upper Niger region (Map I). In 1882, the Compagnie du Sénégal et de la Côte Occidentale d’Afrique of Marseilles set up its own station at Brass and further bolstered French claims to trading rights along the Niger.

In just two years Mattei’s company was upsetting Goldie’s plans to dominate the sources of raw goods in the north, while de Semellé’s company was disrupting the coastal trade as well. Although the NAC had successfully eliminated its major British competitors, the company’s standing in the Niger delta did not give it the ability to stifle foreign competition. Attempts at instigating a trade war by hiking up the prices for produce by twenty-five percent put commercial pressure on the French, but French agents’ ability to negotiate with locals and navigate the rivers with impunity remained a significant problem for the NAC. This struggle with French traders between 1880 and 1886 revealed key discrepancies between the priorities of the Foreign Office and of the NAC: Goldie spent the better part of this time attempting to convince the Foreign Secretary of the immediate threat towards British interests, which were entirely his own concerns. In 1882, Goldie and Hutton started negotiations with the CFAE and Messrs Desprez Huchet & Co. in the hopes of buying out their assets along the rivers. The talks stalled in December, and Goldie was forced to return to the boardroom empty handed. The NAC and its predecessors’ trade had largely been concentrated along the Niger River, and Mattei used the relative neglect of the Benue to the French advantage. By 1883, 39

the French had established stations at both Loko and Udeni on the Benue in the hopes of linking their territorial claims with territory in the east Cameroons (Map II). In response, the NAC sent one of its senior agents, William Wallace, known to the locals as ‘Baba Wallisi’ further up the river to Ibi and stationed a hulk called *Emily Watters* as an interim base. While the company’s uneasy relationship with the Emir of Sanda prevented it from trading much upstream at Yola, it was able to at least secure a presence on the upper Benue to deter the French for the time being.

The major concern for the NAC remained French encroachment along the Niger, where the majority of its stations were located. The company had relied on the resources available to Consul Edward Hewett of the Bights of Benin for the majority of its armed conflicts with local populations, as it did not have the means to keep its own standing force. In 1882, Consul Hewett launched a punitive expedition against the Patanis for attacking the company’s stations at Ase and Asaba Assay. This 1882 expedition was just one of several incidents that highlighted both the company’s strenuous relationship with many of its trading partners and its need for military protection and force, so Hewett urged the Foreign Office to take special notice of the changing dynamics of the Niger trade. In 1883 the company applied for David McIntosh, its chief agent, to be officially granted consular powers, and Lord Aberdare began to push the Gladstone government for a diplomatic solution to the conflict with the French. The Foreign Office’s ambivalence towards this situation was evident in their response time: skeptical of the company’s propensity to become a monopoly, the Foreign Office resisted granting McIntosh

---

42 Wallace visited the Emir of Sanda in 1883 and was cordially greeted and allowed to trade at Yola. However, when he revisited in 1884, Wallace received a cold welcome and the company’s ships were not allowed to offload. Between the two visits, the company agent stationed at Yola had been caught with one of the ladies of the Emir’s royal household, which greatly disturbed relations with the company until the Emir’s death. See: Baker, *Trade Winds*, 43.
consular powers for eighteen months. It was only after the Germans declared a protectorate over the Cameroons on July 14th, 1884 that they finally capitulated to the company’s request.

With the establishment of the German protectorate, the interests of the company and Foreign Office slowly began to converge: for the former, securing territorial rights was a step towards unobstructed access to local markets on both the Niger and Benue, while for the latter a claim to these two rivers was a crucial element in countering increasing French and German influence in West Africa. Yet while the Foreign Office became more concerned with the region, the Treasury and Cabinet remained skeptical of committing resources to establish a colony and assume the administrative burden. They sent Consul Hewett into the Niger territories to sign treaties with local populations in anticipation of further territorial claims by the other European powers. Goldie was a step ahead and had already sent agents further upstream to negotiate his own treaties (Map III). In time, the NAC, with its entrenched trading network, emerged as the only solution to fill the administrative void so long as its territorial integrity could be guaranteed.

In light of attempts to solidify European spheres of influence on the continent, it was critical for the NAC to eliminate the French trading firms along the Niger once and for all. In April 1884, Goldie approached the Compagnie du Sénégal et de la Côte Occidentale d’Afrique, which had suffered the most from his trade war. Within a month, he was able to get the company to agree to sell its factories at Brass for £2,500 and simultaneously took over the remaining significant British trading operation, the Liverpool & Manchester Trading Company. In July, the board authorized Goldie to go to Paris and reopen negotiations with the CFAE in an attempt to buy out its interests as well. By September he was able to reach an agreement to buy their interests on the Niger and Benue rivers for 6,000 fully-paid shares representing £60,000 of the

---

firm’s nominal capital (6%). Additionally, he agreed to allow the CFAE to appoint two representatives to the NAC’s board. By the end of 1884, Goldie had successfully secured the company’s position at the forefront of the Niger trade.

His negotiations concluded just in the nick of time, for in November of 1884 Chancellor Otto von Bismarck inaugurated the Berlin Conference (1884-1885) to partition and organize the African continent among European powers. As a result of his work to secure the Niger territories, Goldie was one of three advisors sent along with the British delegation to partition West Africa (along with John Holt representing the Liverpool traders and Alfred Jones of Elder Dempster). There was no other British delegate that had the intimate knowledge of the economics, geography and politics to stake a claim for the Niger. At Berlin, the delegation was able to secure the Niger region for Britain and ratify its version of the Niger Navigation Act, which designated the river as an international waterway under British supervision and regulation. In fact, it was Goldie who authored the Niger Navigation Act for the European powers. With the conference concluded and the NAC’s dominance secured, Goldie was finally able to press for a charter that would allow him to regulate, administer and operate freely along the rivers. On February 13th, 1885 the board submitted a formal application via Lord Aberdare to the Foreign Secretary, Lord Granville.

Above all else, it was the government’s desire to push the administrative burden away from the Treasury, which eventually won the NAC’s request favour. As a Foreign Office memo explained in January, “unless it should be considered necessary that this country should go to the

---

45 When the company finally obtained a charter in 1886, the French representatives had to resign from the board, as the charter stipulated that “The Company shall always be and remain British in character and domicile...and all the Directors shall always be natural-born British subjects, or persons who have been naturalized as British subjects by or under an Act of the Parliament of our United Kingdom”. See: "No. 3B Extract from the 'London Gazette' of Tuesday, July 13, 1886," July 13, 1886, FO 881/5610, Africa: Corres. Royal Niger Company Part 1, National Archives, London, U.K.
great expense of setting up the machinery of government...there seem to be no other course open and certainly no better one, than that of legalizing and affirming the position of the Company and placing the business of administration into its hands". On June 5th, the Foreign Office finally declared a protectorate over the Oil Rivers and Niger Territories, with the administrative plans still pending. In March of 1886 the company and Foreign Office reached an agreement on a draft proposal based on the North Borneo charter that would grant administrative rights to the NAC “under powers vested in them by the native Chiefs, and under the supervision and control of her Majesty’s government”. Finally, on July 12th the charter was ratified and in August of that year the NAC was renamed the Royal Niger Company, Chartered Limited (RNC) with full administrative, judicial, police and commercial responsibilities now vested in one private enterprise.

Thus by 1886 Goldie had successfully laid the legal and corporate groundwork to build an administrative apparatus that would span the next fourteen years of his life. He had bought out the competition, built the largest trading company in the region, secured Britain’s claims to the delta and received a charter to administer these newly-acquired territories. In order to fully bypass the middlemen and dominate the trade networks, however, the company would have to expand its influence northward, with the intention of securing access to the sources of the raw goods they sought to trade in. The struggle for access now shifted away from European competition and onto the local population.

---

49 For the rest of this paper, the terms “NAC”, “RNC” and “the company” may be used interchangeably to refer to the same private enterprise.
Chapter II: Contracting Sovereignty

By the early-1890s, the company had signed over three hundred treaties with local populations that assured its trading rights and sovereign dominion over vast swathes of territory. Treaties formed a crucial element of the RNC’s expansionary policy, allowing the company to penetrate deeper and deeper upstream while securing beneficial terms of trade to eliminate foreign competition. This kind of ‘diplomatic’ expansion was not an altogether uncommon practice on the continent. By the 1880s, British consuls had already established treaties with local populations in the Gold Coast and Lagos areas, yet it was the NAC that really pushed the boundary of British dominion along the Niger and Benue through its own, independent treaty system. The company’s most active treaty-generating years were between 1884 and 1887, when Britain was to stake a claim to the Niger during the ‘scramble’ and the company to its administration. The spurt of treaties in these years was no coincidence: it was Goldie’s conscious attempt to position the company as the natural extension of the British government in the Niger territories for commercial expediency.

Treaties drawn between Europeans and Africans over the course of the late nineteenth century were crucial elements in the partition of the continent during the ‘scramble’. Whether along the Niger, in the Congo or along the east coast of Africa, these documents became a means to securing dominion over portions of territory in the name of individual European powers. However, private enterprise’s ability to draw up such agreements effectively allowed companies like the RNC, BSAC and the Belgian Association Internationale du Congo to create pockets of corporate sovereignty that enabled companies to fashion administrative structures to suit their commercial needs. As Steven Press illustrates in the case of the Congo, private enterprise’s power “to claim first that they bought sovereignty through treaties, and thereafter, with some
luck, to found an empire accepted by the international community as enjoying equality and reciprocity with its other members: states” led to the creation of “rogue empires” that owed their commercial successes to a particular conception of sovereignty nurtured on the continent: the treaty system.\textsuperscript{50} The RNC sought on one hand to purchase sovereignty from locals and on the other to use that as a means to gain legitimacy in the eyes of its own home government. By the late 1880s, the ‘treaties’ were essentially purchase agreements that lay at the center of the company’s claims to sovereign domain.

The RNC’s independent treaty-making activities shed light on several aspects of its commercial and political ambitions well before the grant of the royal charter in July 1886. First, its incorporation in 1882 allowed for the establishment of independent relationships with local communities, recognizing the need to strike favorable terms of trade for profitable business. Second, the fact that the company was engaging in such treaties well before it received a charter demonstrated its nascent ambitions of monopolization through territorial expansion. Third, the stipulations of the treaties were such that they not only gave the company access to trade in more regions but also allowed it to take control of the trade from local authorities. Finally, the expansionary path was northward, with the intention of securing access to the sources of raw goods that the company was interested in exporting from its territories to Britain. This treaty system effectively built the infrastructure to monopolize the sources of raw goods for the company’s commercial endeavors and consequently expanded British dominion.

\textsuperscript{50} Press’s notion of ‘rogue empire’ is an illustrative tool in evaluating the consequences of the treaty system for the African scramble. The RNC, however, was not exactly ‘rogue’ as Press defines the term, for the company was never really recognized as a sovereign authority by the international community because it was more an extension of the British Government, unlike King Leopold’s Congo Free State. See: Steven Press, \textit{Rogue Empires: Contracts and Conmen in Europe's Scramble for Africa} (Cambridge, UK: Harvard University Press, 2017), 7.
As early as 1882, the NAC’s memorandum of association was crafted with a view to facilitating the company’s rise as a sovereign entity. It explicitly stated that one of the reasons the company was established was to “apply for, acquire, and hold any Charters, Acts of Parliament, privileges, monopolies, licenses, concessions, patents, or other rights or powers from the British Government, or any other Government or State, or any potentate or local or other authority in Africa or elsewhere…” (emphasis added). This clause allowed the company to take sovereign and regulatory privileges from any power that was willing to cede them and also gave it the mobility to independently deal with different sovereign authorities. Furthermore, the NAC was given the ability “to constitute or incorporate the Company as an anonymous or other society in any foreign country or state”. In so doing, the memorandum effectively gave the NAC the right to operate freely through any jurisdiction in which it conducted business, wherever and whenever it deemed necessary. This particular language gave Goldie the flexibility to blend business and diplomacy to build out the trading network on behalf of his company and, after July 1886, in the name of Queen Victoria.

Goldie had been able to create market conditions that favored his company as a sole buyer, such that by 1885 the Niger market had become a monopsony. From the local standpoint, the treaties generally did not allow the company to interfere in local affairs in a way that could potentially upset the balance of power (i.e. social structures) within individual communities, but the economic benefit would transfer to the local elites through their control over the labour and sourcing of raw goods. In the early 1880s, the existence of both French and British companies as potential trading partners had given local groups the flexibility to leverage their position as producers and seek better terms of trade. In Nupe, for example, the Emir had given both the

---

French and British equal trading rights up until 1882. In October 1882, his successor rescinded the agreements with the French under pressure from the NAC. However, the rights were restored within a year after Mattei’s overtures to the new Emir, who received 201 rifles, 200 barrels of gunpowder and 200 pieces of cloth in exchange. With the elimination of the French competition, however, there was no place to turn. The NAC became the only viable trade partner that had the scale to deal directly with the populations upstream.

By the time the NAC petitioned for a charter in February of 1885, it had established treaties with thirty-seven communities south of Asaba located around the Niger river and its delta tributaries. Between August and November of 1884, its agent, David McIntosh, had negotiated these treaties such that locals ceded “the whole of [their] territory to the National African Company (Limited), and their administrators, for ever”. The treaties had effectively given the company a hold over the trade routes that most smaller British firms and former French competitors had depended on for their commercial activities. The language changed with the company’s own evolving role from a purely commercial actor to an administrative one. From 1884 onwards, the company developed ten forms of treaties that were each applied (and in some cases revised) at different times. There were four crucial elements to each treaty: the cessation of territory, protection of private property, maintenance of local custom and the company’s right to exclude foreigners.

The treaties defined the relationship between the company and locals. The NAC lacked any formal constabulary force that could effectively protect the traders operating along the rivers,

---

especially in the face of French competition. To this end, in many of the earlier treaties the company required that locals “agree to afford assistance at any time for the protection of the said Company’s property and people”. However, with the elimination of the French presence and Britain’s claim to the region solidified at Berlin by the end of 1885, the roles had reversed: “the National African Company (Limited) bind themselves to protect the said King and Chiefs from the attacks of any neighboring aggressive tribes”. Due to a lack of competition among European traders, the locals were willing to agree to more subservient terms and now gave “full power to settle all native disputes arising from any cause whatever, and we pledge ourselves not to enter into any war with other tribes without the sanction of the said [company]”. Within a year the company’s position had drastically changed: it was no longer in need of protection but was now in the position to provide it to others. By 1888, it was able to establish its own constabulary and policing force that could patrol and safeguard the trade.

The Berlin Conference was a crucial element in shaping the contractual relationship between company and community. In the run-up to the partition (summer and autumn of 1884), the company’s treaties stated that the NAC would “reserve to themselves the right of excluding foreign settlers”. In six markets including Asaba and Onitsha, the company reserved “the right of excluding foreign settlers other than those now settled in the country” (emphasis added). In seven others, however, the company reserved “the right of excluding any foreigners from the country should they think fit” (emphasis added). There was a trajectory in the changing of the language: the RNC was getting more and more comfortable with taking control of regulating the

---


55 Ibid.
market, including the right to remove settlers already in place. By the spring of 1885, the treaties
blatantly stated that “we bind ourselves not to have any intercourse with any strangers or
foreigners except through the said National African Company (Limited), and we give the said
National African Company (Limited) full power to exclude all other strangers and foreigners
from their territory at their discretion”.\(^{56}\) This new language was revolutionary. The company had
managed to get the local population to explicitly acknowledge its ability to dictate the terms of
trade on its newly-acquired territory. The locals were no longer in control of the land; it was now
the company’s private domain.

In exchange for the lands and commercial rights, the company had to make concessions
to local leaders to ensure that they would maintain the status quo within their own communities.
From the beginning, the treaties were more purchase agreements than anything else. The
company would pay the local leaders for the rights to trade and operate with impunity. The
earlier treaties simply stated that the company “will not interfere with any of the native laws, and
also not encroach on any private property unless the value is agreed upon by the owner and the
said Company”. In some instances, it additionally explained that the company “agree to respect
the rights of the native land-owners, and the said Company will not take possession of their land
without payment of the same”.\(^{57}\) In the end, however, most treaties settled an amount to be paid
by the company to the local chiefs in exchange for the rights ceded in the treaties. In the cases of
Sokoto and Gandu, for example, the leaders were to receive 3,000 and 2,000 bags of cowries
annually.\(^{58}\)

---

\(^{56}\) Royal Niger Company. Papers with respect to revocation of the charter of the Royal Niger Company, and the
taking over by H.M. Government of the rights and powers of the Company; Notes on the Niger District and Niger
Coasts Protectorates, 1882-93; the Royal Charter of National African Company, 1886; List of treaties with native
chiefs, 1884-92; Balance sheets and statements of revenue and expenditure of the Niger Government, 1887-98,
1899, C.9372, 19th Century House of Commons Sessional Papers.

\(^{57}\) Ibid.

\(^{58}\) Adeleye, *Power and Diplomacy*, 132.
These structured transactions were the foundation of the company’s charter application in 1885. Lord Aberdare’s appeal and the attached petition signed by the company’s board highlighted the recent acquisitions and the need to regulate the affairs of the Niger territories in the wake of the Berlin Conference. It was necessary, he insisted, that the Foreign Office now take steps to secure the trade through the NAC as it had now taken control of over 100 stations along the Niger and Benue. The extension of a charter was almost a natural step in cementing British control over the region as the company was “acting…fully as much in the general interests of Great Britain as for our own”. Because the NAC had operated by signing territorial treaties to bring regions into their trading network, it was now involved “in fresh responsibilities,” the natives “acting on their interpretation of a clause in our treaties with them, are already pressing, almost forcing, upon us judicial duties in the settlement of their disputes”. In sum, “these duties—judicial and of the police—cannot possibly be performed by Her Majesty’s Consuls or by the forces at their disposal”. From the petitioners’ standpoint, given the Treasury’s reluctance to fund any administration, there was no one else that existed on such a scale that necessitated and could provide the administrative, judicial and regulatory functions that the Niger desperately needed.

The thirty-seven treaties submitted along with the charter petition had been signed individually with various major communities in the lower Niger that had ceded territories to the NAC over the course of 1884. It was necessary, however, to link these territories to one another to better control the trade networks by demarcating a single continuous territory that the company could control. In the draft charter submitted in the spring of 1886, Goldie had indicated to the Foreign Office that “the list of treaties is now greatly enlarged, viz., from 37 to 195, and

---

now covers the whole accessible country, so as to preclude foreign interference”. The “accessible country” was largely meant to be the lower Niger tributaries that flowed into the Atlantic. In August 1886, Goldie submitted a full list of the over two hundred treaties that had been negotiated with local populations and insisted that these treaties “have not been made with the view of extending the Company’s territories, but rather with the view of filling up the numerous gaps lying between and around the thirty-seven territories referred to in the Petition”. These treaties were necessary if the company was to establish a “satisfactory fiscal system” and so that “freedom of trade” could be established.  

Goldie’s explanation for the ratification of these new treaties did not entirely make sense on the map. The original thirty-seven treaties were located along the Niger and its tributaries up until Atani; however, this revised and expanded list now incorporated territories along the western stretch of the Niger and northward into the Muslim Emirates of Sokoto and Gandu, where British traders had not ventured much at this point (Map IV). In his letter, Goldie acknowledged that “in two only of these Treaties, viz., those with Sokoto and Gandu, is there any extension of territory in distance, but even these two are essential for the purpose of filling up gaps and making the territory continuous”. It was not until December that a map of the RNC’s territories was provided to the Foreign Office, and by that time the company had signed over 237 treaties that greatly extended its territorial reach northward. It was clearly evident that Goldie’s explanation for the northernmost reaches of these territories at Sokoto and Gandu made

---

little sense, but his vague reasoning could be attributed to the fact that these territories were actually outside of Britain’s proclaimed protectorate. The treaties signed between the petition in 1885 and the map submission in 1886 did not make the British-claimed territory contiguous but were instead drawn up to build out trade networks further towards palm, shea and ivory-rich regions in the north.  

From the perspective of British imperial policy, a concrete justification for signing treaties with Sokoto and Gandu arose only after the fact. In 1892, Goldie explicitly acknowledged the company’s policy of pressing inland by treaty with the northern Muslim emirates. Its diplomatic strategy insisted on distinguishing itself from the French method of “imposing direct European rule” by demonstrating that the company in its existing lower Niger territories was “content with a friendly protectorate, which does not seek to interfere with the authority of Mahommedan Princes over their own subjects”. French incursion eastward through the Senegambia regions proved to be a threat to British interests in Central Africa, which neither the company nor the Foreign Office could afford. Additionally, these treaties with the Emirates of Sokoto, Gandu and Nupe formed crucial elements of both the RNC’s territorial and commercial projects: they were the key to accessing cheaper raw goods at their source. Once again, company policy became British imperial policy.

The shift to ‘legitimate’ trade in the first half of the century resulted in the vast mobilization of human resources to farm, mine and extract natural wealth from the land.

---

65 With the abolition of the slave trade in 1807 and of slavery in 1833, the dynamics of the West African coastal economy had changed. Previously ‘illegitimate’ trade (trade in human capital or slavery) was altered to ‘legitimate’ trade between European powers and the African coast, consisting of raw goods and materials transferred from the hinterlands to the coast.
Human capital was diverted from the export market, and slavery became an ever more crucial element of local labour organization in the Islamic Emirates of the Northern Niger to satisfy both the domestic and European demand for raw goods. The production of palm kernels, palm oil and shea, in particular, bolstered the need for large-scale plantation farming to supply the market. The company was faced with a major dilemma. British law prohibited the use of enslaved labour throughout the Empire. Additionally, the charter explained that the company shall “discourage and, as far as may be practicable, abolish by degrees any system of domestic servitude existing among the native inhabitants”. However, the entire production of goods rested on a domestic system of slavery that provided a constant supply of free labour to keep commodity prices suppressed for the company’s agents to procure. The solution lay in the treaties.

The treaties structured the commercial environment of the territories such that the company was given the ability to regulate the flow of goods in and out of the emirates as it saw fit. For the Emirs, this meant no real loss of sovereignty as their grip over local affairs and politics would, theoretically, remain untouched by the company’s agents. When the Emirs agreed to “cede” the entirety of their territories to the company, it merely meant for them to transfer the marketplace administration without tangible power over their subjects. For the company, this meant that as long as it did not directly engage in the production of the commodities, it was absolved of the moral and legal obligation to interfere in local labour practices. There seems to

---

68 The slave trade was abolished in 1807 by the “Abolition of the Slave Trade Act” and, in 1833, slavery was abolished throughout the Empire under the “Slavery Abolition Act”.
70 Adeleye, *Power and Diplomacy*, 130-133.
be no tangible evidence that suggests that the company ever attempted to break the system of slavery that fueled the trade in the early years of its operations. Indirectly, however, conducting business with the Emirs entailed fueling an existing system of slavery that ran against British law. The RNC secured “full power to mine, farm and build” on its newly-acquired territories but coupled with their ability to exclude foreign traders from the regions, these clauses simply allowed the agents to ensure that they were the only European buyers in the market.

The treaty system thus allowed the company to set the terms of trade in its favour. It gave the RNC and its agents exclusive access to large portions of the productive, northern regions and enabled the company to become the exclusive European buyer for raw goods in the north. It was the treaty system that allowed the agents to bypass the middlemen of the delta and also build out the borders of Britain’s sphere of influence further upstream. For the company, the treaties served both political and commercial ends: they substantiated any claim to regional hegemony and, consequently, enabled the creation of a system of wealth extraction that would deliver goods sourced in the Emirates back down to the Atlantic coast. What remained to be established were the rules of this new insular, Niger market.
Chapter III: Opening and Closing Markets

The royal charter granted to the RNC had several implications for the existing trade along the rivers. At the same time, the charter gave the company remarkable expansionary commercial and political powers that opened much of the Niger territories to British commerce and dominion while also closing them off to many of the region’s preexisting commercial actors. By July 12th, 1886 the RNC gained a whole suite of sovereign powers to maneuver independently of the British Government, with casual responsibility to the Secretary of State to approve dealings with foreign powers and territorial acquisitions. According to the charter, the company was given “all rights, interests, authorities and powers for the purposes of government, preservation of public order, protection of the said territories or otherwise of what nature or kind soever…”.

The ability to simultaneously open markets for the company to trade in and close markets off to its competitors at will became a crucial element of the RNC’s commercial success in the early years. Its main weapon was the tariff schedule, which the charter gave the company the right to draw up and execute as it saw fit in order to fund the administrative expenses associated with the Niger government’s administration.

With the grant of a royal charter, the major concern for both the British government and small traders left in the region was the propensity of the RNC to develop a monopoly over the Niger trade to exclude other traders. The company had already eliminated all of its major foreign competition and had taken over all of the major British trading companies that had once operated along the rivers. At least in principle, clause 14 of the charter prohibited the RNC from developing a trading monopoly. It stated that “nothing in this Charter shall be deemed to authorize the Company to set up or grant any monopoly of trade”. With the exception of

“customs duties and charges as hereby authorized…trade within the Company’s territories under our protection shall be free”. The ability to levy customs duties on trading activity was given with the intention “of defraying the necessary expenses of Government, including the administration of justice, the maintenance of order, and the performance of Treaty obligations”. However, it made no mention of the extent to which the administrative system, funded by the customs duties imposed on all local and foreign traders, could be used to the company’s own commercial benefit.

On October 28th, Goldie submitted a draft copy of the Customs Regulation and Tariff for the Niger Territories and a copy of the legislation concerning licensing fees to the new Secretary of State, the Earl of Iddesleigh. According to Goldie’s note, “the Council have borne carefully in mind the conditions of clause 14 of the Company’s Charter…and they are confident that the annual amount raised thereby will for the present be somewhat less than the annual expenses of the Government”. The Customs Regulation and Tariff schedule outlined the provisions for both import customs duties and export customs duties, the amounts to be paid on each type of product, the ports the duties would be assessed in, and the penalties for defrauding the company’s customs officials. This piece of legislation heavily restricted the flow of goods in and out of the territory in the name of revenue collection to fund administrative services for all traders but had other far-reaching implications for how the future Niger trade would be conducted.

The company essentially cut off access to the upper portion of the rivers by developing a customs collection system and licensing scheme that divided the lower and upper portions of the

---

rivers at Lokoja, the station at the confluence of the Niger and Benue rivers (Maps I and II). All vessels destined to trade within the RNC’s territories were called to port at the company’s headquarters at Akassa at the mouth of the river to pay import duties. Once the duties were assessed and paid at Akassa, the vessels were free to trade along the Niger until Lokoja at designated ports, so long as they paid export duties for items received in exchange for imported goods at each station. Traders were required to pay additional duties on their goods if they desired to trade north of Lokoja; however, if they only desired to trade north of Lokoja it was possible to clear customs at Akassa and proceed north so long as no merchandise was sold or traded between the two main stations. This comprehensive customs system served to both ensure that the company collected the required duties from traders and also restricted smaller traders’ ability to conduct business with ease. The system was designed with the express intention of transferring the burden of administrative costs to the traders and, in doing so, also had the added benefit of increasing the cost of doing business for each individual trader operating along the rivers.

The development of a comprehensive tax schedule allowed the company to influence the types of goods that entered the local market via European traders (Table III). All items except for coal used to fuel the steamers were taxed at the port of entry. The company developed two different duty schedules for Akassa and Lokoja, with the principle difference being that whereas “all other items” were taxed at 2 percent *ad valorem* at Akassa, they were taxed at 10 percent *ad valorem* at Lokoja. At both ports spirits were taxed at 2s. per imperial gallon, tobacco at 6d. per pound, salt at 1s. per cwt and “war material, including fire-arms, gunpowder and other

---

explosives” at 100 percent ad valorem. The tax schedules had two key elements that served the company’s own interests: the differential between Akassa and Lokoja’s tax on other items and the 100 percent duty levied on weapons. The former allowed the company to discourage traders from trading in the palm kernel and shea producing regions above Lokoja, while the latter allowed it to restrict the sale of weapons that many of the local populations (especially the Muslim Emirates in the north) desired in exchange for their goods. Goldie believed that “an ad valorem of 100 per cent...[would] place useful, and therefore expensive, war material beyond the reach of natives”. He recognized that giving the locals access to more advanced war materials could prove, as it had in the past, to become a significant hurdle to controlling the region. By November 1886, the Council issued Regulation No. XVII to allow its Agent-General to restrict and prohibit the sale of weapons and artillery in the territories as he deemed necessary. In a letter to the company’s Agent-General dated November 26th, Goldie insisted that the Council “trust sincerely that it may never be found necessary to present native Princes and Chiefs with weapons which may be some day turned against Europeans”. Thus by the end of 1886, the Council had already begun to dictate the terms of the trade to best satisfy its own interests.

76 George Dashwood Goldie-Taubman to Agent-General, "Inclosure 2 in No. 15 The Royal Niger Company to Agent-General or the Senior Executive Officer, Niger Territories," November 26, 1886, FO 881/5610, Africa: Corres. Royal Niger Company Part 1, National Archives, London, U.K.
77 George Dashwood Goldie-Taubman to Agent-General, "Inclosure 2 in No. 15 The Royal Niger Company to Agent-General or the Senior Executive Officer, Niger Territories," November 26, 1886, FO 881/5610, Africa: Corres. Royal Niger Company Part 1, National Archives, London, U.K.
Licensing allowed the company to further restrict the number of traders operating along the rivers. Before people could trade in the company’s territories, the RNC required all traders to acquire a license. Two types of licenses were created: a retail trade license and spirit trade license. In July of 1886, the company submitted the initial licensing scheme to the Secretary of State for approval, which essentially made the cost of both licenses £100 payable annually on the 31st of December each year. Under this legislation, all traders were required to pay the £100 regardless of the volume of their trade or the number of stations they traded from. This meant that both small trading operations and large-scale operators were subject to the same tariff burden, without using the same number of stations and resources to conduct their business. Upon receipt of both the draft customs duties and licensing regulations, the Foreign Office forwarded the proposals to the Board of Trade for review with the express purpose of determining the commercial viability of the company’s proposed licensing scheme. This decision turned on whether or not the proposals were conducive to encouraging a free and competitive market.

### Table III: Duties Payable under the Oil Rivers Protectorate and Royal Niger Company c. 1892

<table>
<thead>
<tr>
<th></th>
<th>Oil Rivers</th>
<th>RNC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tobacco</td>
<td>2d. per lb</td>
<td>6d. per lb</td>
</tr>
<tr>
<td>Powder</td>
<td>2d. per lb</td>
<td>100 per cent</td>
</tr>
<tr>
<td>Guns</td>
<td>2s. 6d. each</td>
<td>100 per cent</td>
</tr>
<tr>
<td>Salt</td>
<td>4s. per ton</td>
<td>2l. per ton</td>
</tr>
<tr>
<td>Spirits</td>
<td>1s. per gallon</td>
<td>2s. per gallon</td>
</tr>
<tr>
<td>Kernel Exports</td>
<td>--</td>
<td>2l. per ton</td>
</tr>
<tr>
<td>Oil Exports</td>
<td>--</td>
<td>2l. per cask</td>
</tr>
<tr>
<td>Trading License</td>
<td>--</td>
<td>50l. per annum</td>
</tr>
<tr>
<td>Spirit Trading Licenses</td>
<td>--</td>
<td>100l. per annum</td>
</tr>
</tbody>
</table>

*Source: Highgate Bros to Earl of Rosebery, “No. 85 Messrs. Highgate Brothers to Earl of Rosebery.–(Received December 8.),” December 7, 1892, FO 881/6352, Africa: Corres. Royal Niger Company Part 6, National Archives, London, U.K.*
The terms of the customs duties and licensing were ironed out by the Board of Trade, Foreign Office and RNC to ensure that they were in accordance with the charter and any international treaties that Britain was party to. The board raised several objections to the initial draft on both commercial and political grounds. From a commercial standpoint, it requested the company to explain the proposal to only require foreigners and foreign companies to acquire a trade license and its penalty scheme for smuggling and customs fraud, while on a political level it questioned whether or not requiring vessels to stop at Akassa and clear customs once more at Lokoja were in violation of the Act of Berlin (1885), since the act made both the Niger and Congo rivers free for ship traffic. In a rather long-winded reply, Goldie explained how the customs duties and licensing schemes were carefully crafted in accordance with all the requisite legal and international agreements to which the company was subject. As he clarified, in accordance with the Niger Navigation Act and Act of Berlin, the RNC did not require vessels transiting through its territories to the upper Niger to anchor at Akassa and Lokoja. Only those vessels that intended on trading within its territories were required to stop at these stations before continuing their journey north.

The main issue remained the licensing scheme. Goldie was not convinced that adjusting the scheme so that traders paid per port they operated in would be a more equitable and beneficial way of regulating trade activity. In his words, “if two traders enter the Territories tomorrow, each with a capital of 10,000... and if the first of these men decides on establishing fifty small factories at the fifty ports of entry, he would, under the suggestion of the Board of

---

78 R. Giffen to Sir Villiers Lister, "No. 16 Mr. Giffen to Sir Villiers Lister.–(Received December 3)," December 3, 1886, FO 881/5610, Africa: Corres. Royal Niger Company Part 1, National Archives, London, U.K.
Trade, have to pay, in addition to the import duties &c., an annual license duty of 5,000l. If the second trader...contents himself with establishing on a large scale in one of the principal centres of the trade, he would have, in addition to the import duties &c., only 100l. per annum to pay". In effect, Goldie failed to see how a system to charge per factory would prove “as equitable, on the whole, as the system adopted by the Council”.80

The potential negative effects of the licensing and customs duties on local traders, however, became readily apparent in the fall of 1886. As the company was publicly listed, its regulations had been published even before they were implemented in the territories and were of general concern to all of the smaller British and foreign traders operating along the rivers. By early 1887, several traders had objected to the RNC’s receipt of a charter, let alone its ability to levy taxes on their previously untouched trading activities. The traders implored members of Parliament to take up their cause. In January 1887 W.F. Lawrence (M.P.) wrote to the Secretary of State to question both the RNC’s monopolistic tendency and to protest the licensing scheme on behalf of small Liverpool traders. He wrote that “the 100l. trading license is simply prohibitive to small traders, who can only trade at one place”. Additionally, he noted that no such licenses nor export duties were charged at Lagos and questioned as to how they were necessary within the company’s territories. The problem was larger still: how could any firm compete when the major player on the rivers was allowed to set the rules of the game?

Lawrence’s protest on behalf of Liverpool traders shed light on the inherent biases and contradictions the company now faced as both a trading company and administrative
organization, what he dubbed the “dual character of the Company”.

Whereas the company’s charter had stated that it had “purchased the business of all European traders in the regions aforesaid, and are now the sole European traders there”, Lawrence challenged its standing as the sole European trader. He insisted that smaller traders still existed, and that they had merely been overlooked for lack of scale. Messrs. Stuart and Douglas, for example, had “for more than forty years factories at Benin, Brass, and the Calabar which were fed by native traders coming down the Niger”. Additionally, Lawrence noted that the situation was further complicated by the fact that “the Company that fixes the Tariff is also a competitor in their trade. It is evident that the goods of the Company have every chance of getting placed on the market on much more favourable terms than those of outsiders”. Evidently, “the North Borneo Company, which may have formed some precedent to that of the Niger, is not a trading Company, or at least, does not directly engage in the trade”.

The RNC’s own trading activities, however, complicated its relationship with other traders as it concurrently held commercial responsibilities to its shareholders and administrative duties as well. Administrative control was an integral part of the business plan.

Messrs. Stuart and Douglas’s petition to Lawrence clearly outlines how the company’s use of the customs duties and licensing schemes enabled it to effectively stamp out any form of competition. As per clause 14 of the charter, the company was expressly forbidden from establishing any sort of monopoly; however, Messrs. Stuart and Douglas explained that “the rates of duty…are so extortionately high, that they are prohibitive, as they are doubtless intended

---


82 W.F. Lawrence to Earl of Iddesleigh, "No. 25 Mr. W.F. Lawrence, M.P., to the Earl of Iddesleigh–(Received January 15.)," January 8, 1887, FO 881/5610, Africa: Corres. Royal Niger Company Part 1, National Archives, London, U.K.
to be”. While the Board of Trade had approved the duty schedule as “moderate in character”, the traders insisted that the duties had actually made trade commercially inviable. Whereas, for example, rum was purchased at 1s. 2d. per gallon, the company levied a 2s. duty per gallon; tobacco was traded at 7d. per pound, while the duty was 6s. per pound; and salt cost 42s. per ton, and taxed at 20s. per ton. To make matters worse, operating in company territories above Lokoja meant that traders had to pay double these duties on their merchandise. The petitioners concluded that “with duties such as these, trading by any one save the agents of the Niger Company is utterly impossible; their object being to stop all trading except by themselves, and as there can thus be no competition in the regions ceded to them, they can buy produce at whatever prices they choose to pay”. From their perspective, the company was at once developing both a monopolistic and monopsonistic grip on the Niger trade.

The imposition of the licensing fee had a detrimental impact on small traders that operated along the coastal tributaries of the Niger. Messrs. Stuart and Douglas were not alone in their frustration with the RNC’s new powers, and in the same month, Messrs. Moore and Co. wrote to plead their own case. They went so far as to accuse the company of using some “very undue influence” to receive a charter with such a sweeping mandate. The accusation, while unfounded at the time, was not too far from the truth. Goldie had indeed used Lord Aberdare’s

84 R. Giffen to Sir Villiers Lister, "No. 16 Mr. Giffen to Sir Villiers Lister.–(Received December 3)," December 3, 1886, FO 881/5610, Africa: Corres. Royal Niger Company Part 1, National Archives, London, U.K.
85 W.F. Lawrence to Earl of Iddesleigh, "No. 25 Mr. W.F. Lawrence, M.P., to the Earl of Iddesleigh–(Received January 15.)," January 8, 1887, FO 881/5610, Africa: Corres. Royal Niger Company Part 1, National Archives, London, U.K.
87 R.C. Heron-Maxwell to Austin Lee, "No. 26 Mr. Heron-Maxwell to Mr. Austin Lee.–(Received January 17.)," January 15, 1887, FO 881/5610, Africa: Corres. Royal Niger Company Part 1, National Archives, London, U.K.
influence as a peer to persuade the Foreign Office to grant the company a royal charter in 1886, but by the time Messrs. Moore and Co. lodged their complaint, the RNC was well on its way to cementing its administrative hold. As the Foreign Office had replied to Lawrence in response to his letter, since “the whole of the West Coast…is now under the Protectorate of European powers…the old unchecked license of trade is a thing of the past”.

For both Messrs. Stuart and Douglas and Moore and Co., there was an even more pressing consequence of the RNC’s customs and licensing scheme for their trade: its impact on local populations’ ability to source and sell products from upstream at stations located at the mouth of the Niger river. Many of the small traders had depended on the coastal communities’ ability to act as middlemen between the palm kernel and shea producing northern regions and themselves, but the newly imposed financial burden associated with trading upstream would prove detrimental to the trade. The company was not unaware of this consequence, but rather consciously attempted to subvert the trade of the middlemen that had, for decades, dictated both the price of goods and terms of trade. It first secured exclusive access to the hinterlands via treaties with local chiefs and emirs and then, through the customs duties and licensing scheme,

---

89 As Messrs. Moor an Co. explained, “The rivers Brass, Benin, New Calabar, Bonny, Opobo, besides others of less importance, are all of them outlets of the Niger, and the natives here acting as middlemen have been accustomed to go up to the Niger Territories by means of the creeks which intersect the country in all directions and bring down produce to barter with the merchants whose establishments are situated at the mouths of the various rivers named”. Quoted from: R.C. Heron-Maxwell to Austin Lee, "No. 26 Mr. Heron-Maxwell to Mr. Austin Lee.--(Received January 17.)," January 15, 1887, FO 881/5610, Africa: Corres. Royal Niger Company Part 1, National Archives, London, U.K.
90 As W.F. Lawrence explained in a letter dated December 15th, 1886, “The action of the Niger Company is no benefit to the natives, nor to the civilization they so much want, nor to European merchants, but is intended to crush native traders who reside in the rivers between Benin and Old Calabar inclusive, and English merchants who have hitherto so long dealt with the natives to the great benefit of this country and to the satisfaction of the natives, out of existence”. Quoted from: Memorandum by James Ferguson, "No. 44 Memorandum by Sir James Ferguson," March 3, 1887, FO 881/5610, Africa: Corres. Royal Niger Company Part 1, National Archives, London, U.K.
indirectly curtailed traders’ movements within its own territories. The consequence for traders like Messrs. Moore and Co. was that by November 1886 their trade had “fallen to nil”.\footnote{R.C. Heron-Maxwell to Austin Lee, “No. 26 Mr. Heron-Maxwell to Mr. Austin Lee.–(Received January 17.),” January 15, 1887, FO 881/5610, Africa: Corres. Royal Niger Company Part 1, National Archives, London, U.K.}

These traders were primarily concerned with the likes of the people of Brass. Since the early 1870s, the Brass had a tenuous relationship with British attempts to circumvent their position as middlemen. King Ockiah wrote to the Foreign Office in 1876, explaining that “what we want is, that the markets we have made between the river and Onitsha should be left to ourselves”.\footnote{Quoted from: John E. Flint, \textit{Sir George Goldie and the Making of Nigeria}, West African History Series (London, UK: Oxford University Press, 1960), 28.} The RNC’s trading license and customs duty schemes further complicated the situation for the local traders, and as Messrs. Stuart and Douglas explained, for the people of Brass, “access by them to the Niger is no longer possible, and their means of livelihood are nearly all gone. This loss of trade means ruination and starvation to the natives of Brass”. Consequently, their firm would now “have to relinquish [its] stations there to [their] heavy loss, having a large amount of capital invested in the river, also commodious factories at which the trade is conducted”.\footnote{W.F. Lawrence to Earl of Iddesleigh, "No. 25 Mr. W.F. Lawrence, M.P., to the Earl of Iddesleigh–(Received January 15.),” January 8, 1887, FO 881/5610, Africa: Corres. Royal Niger Company Part 1, National Archives, London, U.K.} The smaller Liverpool traders depended on the existence of middlemen, but their protests were swiftly quelled by the Foreign Office, which firmly recognized that the RNC’s reign meant the end of the Liverpool trade: “the rush for Africa has broken up the little family party, and the rich and powerful Niger Company on the one hand, the Germans on the other, have broken through the middleman crust and forced their way to the interior markets. The Liverpool men are fighting the battle of the middlemen”.\footnote{Memorandum by James Ferguson, "No. 44 Memorandum by Sir James Ferguson," March 3, 1887, FO 881/5610, Africa: Corres. Royal Niger Company Part 1, National Archives, London, U.K.}
Despite the opposition, the matter of the licensing remained to be settled. In April the Board of Trade came to an agreement with the company, by which the cost of an individual trading license would be lowered to 50l. with an additional 10l. to be charged per additional factory for traders to operate in.\(^95\) Lowering the licensing fee was meant to appeal to the Liverpool traders which had, for the previous six months, launched a protest in Parliament against the company’s charter. Nevertheless, the long-term impact of the licensing scheme was that it significantly increased the cost of doing business for smaller traders, which began to fade away from the Niger territories as a result. Licensing revenues decreased from £660 in 1887 to nil by 1894 (Table IV).

<table>
<thead>
<tr>
<th>Table IV: Niger Government License Revenues, 1887 - 1898</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Licenses (GBP)</strong></td>
</tr>
<tr>
<td>RNC</td>
</tr>
<tr>
<td>-------------</td>
</tr>
<tr>
<td>1887</td>
</tr>
<tr>
<td>1888</td>
</tr>
<tr>
<td>1889</td>
</tr>
<tr>
<td>1890</td>
</tr>
<tr>
<td>1891</td>
</tr>
<tr>
<td>1892</td>
</tr>
<tr>
<td>1893</td>
</tr>
<tr>
<td>1894</td>
</tr>
<tr>
<td>1895</td>
</tr>
<tr>
<td>1896</td>
</tr>
<tr>
<td>1897</td>
</tr>
<tr>
<td>1898</td>
</tr>
</tbody>
</table>


\(^95\) George Dashwood Goldie-Taubman to Marquis of Salisbury, "No. 61 The Royal Niger Company to the Marquis of Salisbury.—(Received May 3.)," May 2, 1887, FO 881/5610, Africa: Corres. Royal Niger Company Part 1, National Archives, London, U.K.
The most important aspect of the tariff debates was that while the Liverpool traders accused the company of unjustly imposing tariffs on their trading activities, they failed to understand that the RNC’s own commercial activities were taxed in the same way. The company was not above the regulations that it invented, so the Board of Trade and Foreign Office paid little attention to any critique of the schemes by the end of April. The issue was that commercial viability required scale and credit, which the RNC had managed to create for itself by securing a charter to manage the administration and conducting trade through barter on its own terms.\(^9^6\) The crucial advantage it held over its competitors remained that its licenses and duties were paid as simple transfers from one account to another in its own books, allowing it to seamlessly operate on some form of continual credit to itself. Its competitors, on the other hand, were expected to either pay in kind or cash at each station. Nevertheless, the reality remained that for the majority of its lifespan, the company contributed to approximately ninety percent of the administrative revenues due to the scale of its own operations.\(^9^7\) The market was theirs.


Conclusion

By 1890, the RNC had installed itself as both the commercial and political hegemon of the Niger territories. Goldie’s efforts had brought the Niger into the fold of formal Empire, built out Britain’s territorial footprint, and constructed a new system of trade that was both regulated and dominated by his own company. While Goldie’s hold over the Niger was absolute on paper, the company struggled with both German and French incursions into its territories well into the late 1890s and boundary disputes became the major point of contention between European powers into the early twentieth century. Nevertheless, foreign competition brought company and state policy into further alignment: it allowed the company to freely maneuver throughout the region in the name of British geostrategic interests.

There is little doubt that the RNC’s case is unique and does not paint a complete picture of late-Victorian British imperialism in Africa. However, it does illustrate a model of imperial expansion that was organized and dictated by distinct commercial interests. Consequently, the importance of both territorial expansion and the administrative technology of the tariff and licensing schemes in the Niger Government’s early agenda highlights the extent to which commerce formed the backbone of Britain’s Niger interests. Small local and European traders continued to protest the extent to which the company dominated the Niger trade well into the mid-1890s, and the Brass raided several company stations in violent protest in 1894. By 1898 it became readily apparent to the British Government that the company could no longer effectively serve as its administrative proxy.

The Brass revolt was the first major incident to attract Government attention. Sir John Kirk was dispatched to the Niger in May of 1895, and in August submitted a report to the newly-appointed Prime Minister and old friend of the company, Lord Salisbury. As the Brassmen
explained, “the closing of our markets by the Niger Company has cheapened the price of oil, but when we smuggle in oil we have to pay the villagers *en route* ‘hush money,’ and so, to us, the oil is expensive”. The company had “done [the Brass] many injuries…for some time after the Charter was granted they drove us away from our markets in which we and our forefathers had traded for generations”. Yet despite these disruptions, the Brass were “willing to pay fair duties: but we cannot understand, however, if all markets are free and open to black and white men alike, why there are so many villages or markets in the Niger where neither are allowed to go and trade”. Ultimately, “with our resources, to carry out these Regulations and pay these duties means ruin to us”. It was the economic pressure of the new market dynamics that propelled them to “take the law into [their] own hands and attack the Company’s factories at Akassa”.98

With the appointment of Joseph Chamberlain as Colonial Secretary in the same year, the company’s position weakened further. Chamberlain’s tenure in the Colonial Office marked a crucial turning point in British West African policy. Convinced of West Africa’s integral place in Britain’s African presence, and more willing than his predecessors to invest government resources in the Empire, Chamberlain became wary of the company’s struggle to fend off foreign competition from its territories and maintain order within the protectorate. His conviction stretched back as early as 1882, when the NAC was set to float and Chamberlain invested £950 into the company himself.99 Up until his appointment, however, the Colonial Office had stayed out the Niger: for as Lord Aberdare had explained in 1885, it was the company’s duty to “relieve, with credit to ourselves and our country, the Foreign and Colonial Offices of many duties which they might shrink from undertaking on their own account”.100 By 1897, further

---

100 Lord Aberdare to Earl Granville, "No. 1."
enquiries were launched into the company’s administrative and trading activities to ascertain the RNC’s viability as a proxy for British rule.

In 1899, Goldie, the Treasury, Colonial and Foreign Offices agreed to a framework to disassociate the administrative and commercial arms of the RNC. With the Anglo-French Convention (1898) ended and border disputes seemingly settled, the British Government would purchase the assets of the Niger Government, assume the responsibilities of all treaties and rights accorded to the company and install its own officials through the Colonial Office under Chamberlain’s direction. As the Colonial Office explained in a note to the Treasury, the Government would, in return, “assume the Niger debt of £250,000, and will pay within one month of the revocation of the Charter £450,000 for settlement of all accounts to date, and will impose a royalty on minerals exported from ports in what are now the Company’s territories, of which the Company shall for 99 years receive one half”.101 By the end of negotiations, the total amount given to the company in exchange for the administrative arm was £895,000.102 When asked in July whether the financial settlements would allow the company to remain a going concern, Goldie responded “I can see no reason to doubt it”.103

On January 1st, 1900, having lost its charter, the company was renamed the Niger Company Limited and continued to function as a trading concern. Although separate from the British administration, the Niger Company remained entrenched in the administrative system, which the Colonial Office had inherited from the company. By the 1920s, the Niger Company merged with the African & Eastern Trade Corporation to form the United Africa Company

---

(UAC), a subsidiary company formed by the Lever Brothers (est. 1885) to control their West Africa operations. By 1929 the UAC was almost bankrupt and became a subsidiary of the newly-incorporated Unilever company, operating as a subsidiary until 1987.

Goldie’s brainchild had become an integral part of one of the world’s largest companies. While the commercial and political fruits of his labour were separated in 1900, British control over Nigeria stretched until 1960 while Unilever continues to trade in raw goods sourced from Northern Nigeria to this day. The study of Goldie’s career and company, therefore, has an integral place in understanding the nature of ‘big business’ and Britain’s both historical and ongoing relationship with the Niger region. The river’s incorporation into the formal Empire was the product of business and political maneuvering, which resulted in the early establishment of administrative structures that were constructed with a view to lessening the financial burden of wealth extraction for European traders.
Bibliography

Archives

National Archives, London, U.K.

Primary Sources


Secondary Sources


