A. G. Hopkins. *Capitalism in the Colonies: African Merchants in Lagos, 1851-1931*. Princeton & Oxford: Princeton University Press, 2024. Pp. v-551. Hardcover, $49.95.

Capitalism in the Colonies is a detailed narrative of how African merchants in Lagos adapted to British colonial constraints; and shaped the processes of economic and political change in the port city and the West African region during the late nineteenth and early twentieth centuries. The author, A. G. Hopkins, deals with a universal subject matter regarding the global spread of capitalism, and the relationship between capitalism and colonization. Historically, colonialism preceded the emergence of capitalism, and colonial rule by capitalist countries has been credited as the primary medium for the spread of capitalist institutions worldwide. In turn, capitalist institutions strengthened colonialism. With its emphasis on profit-maximization, market expansion, and private ownership, capitalism created economic incentives that contributed to colonial expansion. European colonial powers sought resources, as well as overseas markets to support their capitalist economies.

Hopkins provides the first substantial, engaging account of the development of capitalism in the colonial port city of Lagos, and particularly a chronological, mercantile career of indigenous entrepreneurs in Lagos and their role in spreading capitalist institutions. Hopkins challenges conventional views of the contribution made by indigenous entrepreneurs to the economic development of Nigeria. In fact, he argues that Lagos merchants were responsible for key innovations in trade, finance, construction, and farming that are crucial for understanding the development of Nigeria's economy today. To this end, Hopkins documents the activities of 116 Lagos-area entrepreneurs for a period that spanned eighty years, between 1851 and 1931. He shows that indigenous entrepreneurs were as adventurous, if not more adventurous, than expatriate firms. For example, African merchants in Lagos pioneered the introduction of motor vehicles, sewing machines, publishing, tanneries, and new types of internal trade. They founded the construction industry that built Lagos into a major port city, moved inland to start the cocoa-farming industry, and developed the finance sector that is still vital to Nigeria's economy. In addition, they also took the lead in changing single-owned businesses into limited liability companies, creating freehold property rights and promoting wage labor.

The narrative is built around three momentous events or 'shocks' in 1851, 1892, and 1914, and illuminated by many business profiles. It draws upon massive archival and court records, contemporary newspapers, as well as oral interviews the author conducted mainly in the 1960s. First, the shock of 1851: On December 26, 1851, a squadron of the British Navy on a mission to ending the slave trade bombarded Lagos. The slave-dealing ruler (*Oba*), Kosoko was sacked and his rival Akitoye was restored to the obaship. Akitoye signed a treaty with the British Consul, pledging to abolish the trade in slaves, guarantee free trade, and protect Christian missionaries. Free trade was expected to promote international specialization, raise incomes that would raise living standards, and lay a solid foundation for political stability. The British formally established the Colony of Lagos in 1861. So, the first shock led to the creation of the consulate and then the colony.

The entrepreneurs of Lagos comprised a group of people who led the way in new developments and ideas. The vanguard of the new order was a group of Westernized former slaves of Yoruba origin, most of whom had been captured by slave raiders and were bound for a life of slavery in the Americas. Fortunately for them, the ships transporting them across the Atlantic were intercepted by the British Navy and the liberated slaves were taken to Freetown, Sierra Leone. Later, many freed slaves who migrated from Freetown to Lagos formed a distinctive group that acquired a collective shorthand, *Saro*. The majority of Saro were

Christians, had been educated in mission schools in Freetown and were fluent in both English and Yoruba. The Saro became merchants, joined government service, and participated in Church activities. The business they operated can be classified as 'firms' but were typically individually owned and unincorporated. The Saro-operated firms can be compared in structure with expatriate firms in the port city. Saro merchants were unique in having dual connections with their regions of origin outside Lagos, as well as with European mercantile firms (such as John Holt, Paterson Zochonis, Gaiser, Witt & Busch) in the colony and the Metropole, particularly Liverpool, Bristol, Manchester, and Germany. The Saro's familiarity with Yoruba culture gave them a competitive edge over the European firms in commercial matters that required local knowledge of market potential. Furthermore, Lagos merchants did not limit their entrepreneurship to import and export trades, but also ventured into money lending and real estate. A highlight of the prominent Saro merchants include James Davies, Jacob Samuel Leigh, Richard Blaize, Mohammed Shitta Bey, Zachariah Williams, Isaac Williams, Candido Joăo da Rocha, Jacob Coker, Josiah Doherty, James George, Samuel Pearse, and Daniel Taiwo.

The second shock came with the invasion of the hinterland (Egba and Ijebu country) by the British Colonial Administration. The commercial depression that hit Lagos between 1880 and the early 1890s was heightened by French activities on the western edge of the colony in Dahomey which threatened, or was perceived to threaten, British interests. As a result, the invasion gave Britain total control of Yorubaland. The consequences of the expansion of the colony were noticeable. For example, the value of Lagos's external trade increased markedly between 1893 and 1899. In addition, export volumes in palm kernels and palm oil rose during the period. Furthermore, the growth of trade was reflected in the number and tonnage of ocean-going steamers entering the harbor.

The third shock was the First World War (1914-1918). One of the serious setbacks for Lagos merchants was the expulsion by Britain of German firms. About half the value of palm kernels and oil shipped from the port went to Germany and the bulk of the shipping tonnage was handled by Woermann Linie, a German firm. Several of the most prominent Lagos merchants had benefited from the advantageous credit and prices the German firms offered. Consequently, the loss of the German market eliminated the most profitable of the export trades. Thus, the removal of German imports constrained Lagos merchants to stock higher-priced, less profitable British goods. To put this in context, WW1 disarrayed international trade, as hostilities changed trade relations. In particular, commercial priorities were tailored to meet war-time demands, and shortages of shipping and consumer goods limited trade volumes.

In a broader purview of *Capitalism in the Colonies*, the arrival of the British presented an opportunity for a new generation of African merchants to establish themselves in the port city. Freed slaves from Freetown, known locally as *Saro*, who returned to their homeland took the lead in pioneering the new export trades. The book provides an innovative reinterpretation of the business, economic, and social history of Lagos, resulting from the intersection of local, imperial, and global dynamics, following British colonial occupation.

Okori Uneke, PhD
Associate Professor of Behavioral Sciences
Winston-Salem State University
Winston-Salem, North Carolina