

French colonial trade patterns: facts and impacts

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Abstract

Using an original database from French archives on French trade statistics, this article undertakes a comprehensive study of the nature and dynamic of French sectoral trade for the period 1880 to 1912. The results highlight a common trend regarding Franco-colonial trade compared to French trade with non-French colonies. In particular, we found that French trade with its colonies was based mainly on imports of primary products and exports of manufactured goods, meaning that the Empire was used as the main dispenser of French exports and the country's main provider of natural resources. Statistics also emphasise that the event of colonisation was followed by an increase in trade between France and its own colonies, while colonisation by Britain and other colonising countries did not affect trade between France and non-French colonies. The article finally reveals that trade with French colonies was unbalanced and unidirectional, without any advantage in favour of those colonies.

Key words: trade statistics; colonisation; French trade patterns; data construction

1. Introduction

In the area of economics, I am placing before you, with the support of some statistics, the considerations that justify the policy of colonial expansion: the need for exports. [...] Yes, what our major industries, lack more and more are new markets. Why? Because [...] not only are these great markets (Germany and USA) shrinking, becoming more and more difficult to access, but these great states are beginning to pour into our own markets products. [...] Nothing is more serious; there can be no graver social problem; and these matters are linked intimately to colonial policy (Ferry 1884).

In his speech before the chamber of deputies in 1884, Jules Ferry, prime minister of France (1880-1881, 1883-1885), listed a variety of reasons why colonial expansion was necessary for France, with the most prominent one being the need to engage in trade in order to promote local manufacturers in new markets. The thrust of his argument was that, while European markets were becoming harder to access, colonial markets could become a profitable alternative where France could sell her products and extract raw materials.

To gain some perspective on the French trade patterns with the country's various trading partners during the colonial era, I have constructed a new dataset containing information on the value, in French Francs, of French imports and exports of agricultural products, raw materials necessary for industry and manufactured goods, with each of its trading partners between 1880 and 1912. The data was collected from the Tableau général du commerce (1880-1920), which is the most complete and reliable database in the country and is the official data of the French Customs.

The dataset allows a comprehensive description of French sectoral imports and exports with French and non-French colonies for the above period. I computed some trade indicators and derived some stylised facts from those statistics to identify the extractive nature of colonial trade.

There is an extensive literature on the role of trade in colonisation. Common findings suggest that France set up extractive trade policies in these colonial markets to dispense of its manufactured products at profitable prices and extract the countries' raw materials at low cost (Amin 1972; Marseilles 1984; Estevadeordal *et al.* 2003; Lavallée & Lochard 2012). This data confirms this claim and suggests that, on average, French exports to French colonies increased after colonisation, whereas the colonisation of non-French colonies did not affect French trade with those colonies. The French colonies seemed to be the main trading partners of France, providing it with raw agricultural goods and importing its manufacturing. Statistics also show that the French colonies had a revealed comparative advantage (RCA) with France in agricultural goods. Our overview of French sectoral exports and imports reveal trade patterns compatible with Jules Ferry's extractive policy.

This paper is organised as follows. Section 2 provides a historical perspective on the link between colonisation and trade. Section 3 explains and describes how the data was constructed. Sections 4 and 5 present a thorough radiography of the French trade statistics, section 6 emphasises the role of trade policy, and the last section concludes.

2. Colonisation and trade: a historical perspective

Throughout history, it has been known that colonial quests were sought for glory and power rivalry. For instance, Britain may have increased its size, in part, because it felt threatened – economically, politically, or militarily – by Germany or France's territorial acquisitions. As a result, France had an urgent desire to become a strong and respected global power within the “race” among European powers. In less than thirty years, starting from the mid-1870s, most of Africa was colonised and divided up between the British and the French (Pakenham 1992).

However, aside from the geopolitical and ideological reasons that led to colonisation, economic reasons such as potential investments, search for raw materials and extraction of resources compounded the struggle for new territorial conquests. Karl Marx, for instance, relates colonisation to the relentless search for new markets because of the falling rate of profits; JA Hobson relates it to the maldistribution of income; and Rosa Luxemburg relates it to the impossibility of a capitalist system to find an internal market for its products (Griffin & Gurley 1985).

In the Marxist paradigm, trade was traditionally regarded as the driving force of mercantilism, and colonialism as its most visible result (Svedberg 1981). Hobson (1902) and Lenin (1917) suggested that capitalist economies used coercive means to exploit low-paid wage labour, and low-cost plant and capital in order to extract the full economic rent from the exchange of goods and capital. By colonising, the colonising countries become a form of monopoly, gaining complete guarantee against all contingencies in the struggle against competitors and securing favourable markets for their products to export to under-developed countries. However, in the presence of some internal democracies within the colonies, full exploitation became difficult, and a legitimate way to extract resources would be through trade.

The opponents of the Marxist theory claim that exploitation could not have been the main reason behind colonisation because, first, the empire represented a limited source of raw materials, and second, the colonies depended fiscally on the coloniser (Cohen 1968; Bairoch 1989). Acquiring a territory would induce more costs than revenues to the colonising country, according to Paul Bairoch's accounts (Bairoch 1989). Note that fiscal records do not confirm this claim; according to

Huillery (2014), the financial transfers from the home country to French West Africa accounted for only 0.007 percent of total French expenses.

Furthermore, Mitchener and Weidenmier (2008) argue that, prior to the industrial revolution, colonial acquisitions were continuously sought by imperial powers to complement their growing economies, which ultimately affected colonial trade. Let us consider a few examples. Exports boomed in French West Africa – namely in Senegal and the Ivory Coast – between 1897 and 1913. Timber exports from the Ivory Coast increased by a factor of six in twenty years (Frieden 2006) as colonial imports of European manufacturers grew. In Indochina (which was under French colonial rule), the area of cultivated land increased dramatically, allowing it to become the third largest producer of rice in the world (Mitchener & Weidenmier 2008). The same applies in Algeria, as noted by Louis Faidherbe (Cohen 1970): “In Algeria and Senegal, the aim is the same, to dominate the country at as low cost as possible and through commerce get the highest advantages.”

However, colonial trade was not only the result of extraction. A colony's tendency to trade with its empire might have been driven by preferential treatment, or by comparative advantage for some products favouring such trade, even in the absence of colonial domination. For instance, the existence, between colonies and the colonising country, of some longstanding commercial and banking connections would make trade more likely between the colony and the colonising country, rather than between the colony and another partner. Indeed, Robinson and Gallagher (1961) state that the period of British expansion after 1870 represents an essential continuity to the earlier mid-Victorian era, which was characterised by a belief in the benefits of free trade, and by a conviction that British informal influence would secure these economic benefits at the lowest possible cost for the British government.

With our data, we tried to build a comprehensive overview of the relationship between colonisation and trade. One interesting feature of our dataset is that it allows for a comparison between the trade patterns of France with its own colonies and that with non-French colonies. The trend and type of goods traded might help us understand the nature of colonial trade.

3. Data construction

We constructed a detailed and new database of annual primary French sectoral trade from French statistical sources. In particular, we relied on various volumes of the *Tableau général du commerce de la France* (1880-1920), the *Tableau décennal du commerce de la France* (1880-1920) and *Annuaire Statistique de la France*. The data include more than 20 000 observations of French bilateral imports and exports in three main sectors from 1880 to 1912: agricultural raw materials, raw materials necessary for industry, and manufactured goods. The cross-section includes a total of 118 countries, consisting of 27 French colonies, 37 British colonies, 17 other colonies, 17 former colonies, four countries that are not European and were never colonised, and 16 European countries, as shown in

Table *1* and
Figure **1**.

The analysis starts in 1880, because trade, along with the colonial conquests of the second French empire, grew substantially from 1878. In less than 30 years, colonial territories jumped from 0.9 million square kilometres to 12 million square kilometres, with a population increase from three to 50 million (Lenin 1917; Marseilles 1984; Bairoch 1989).

Table 1: Countries by colonial group

French colonies	Algeria, Benin, Burkina Faso, Cambodia, Central African Republic, Chad, Congo, French Guiana, French Polynesia, Gabon, Guadeloupe, Guinea, Ivory Coast, Laos, Madagascar, Mali, Martinique, Mauritania, Morocco, New Caledonia, Niger, Reunion, Senegal, Tunisia, St Pierre and Miquelon, Vanuatu and Vietnam
British colonies	Antigua and Barbuda, Australia, Bahamas, Bangladesh, Barbados, Botswana, Cyprus, Dominica, Egypt, Fiji, Gambia, Ghana, Gibraltar, Grenada, Guyana, India, Jamaica, Kenya, Malawi, Malta, Mauritius, Myanmar, New Zealand, Nigeria, Pakistan, Saint Lucia, Sierra Leone, Solomon Islands, Somalia, South Africa, Sudan, Tanzania, Trinidad and Tobago, Uganda, Virgin Islands, Zambia and Zimbabwe
Other colonies	Angola, Aruba, Cameroon, Cuba, DR Congo, Equatorial Guinea, Guinea Bissau, Indonesia, Mozambique, Namibia, Philippines, Puerto Ricco, Sao Tome and Principe, Suriname, Togo, Virgin Islands (US) and Western Sahara
Former colonies	Argentina, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, Guatemala, Haiti, Honduras, Mexico, Peru, Uruguay, USA and Venezuela
Non-European countries	China, Japan, Thailand and Turkey
European countries	Austria, Belgium, Denmark, Germany, Greece, Italy, Luxembourg, Netherlands, Norway, Portugal, Romania, Russia, Spain, Sweden, Switzerland and the United Kingdom

The trade data as collected from the original sources were aggregated by either country, colonial group or geographical region, wherein some countries had different names and borders than nowadays, and regions comprised groups of countries.

With respect to the countries that were part of a region in our original data, we disaggregated the trade value of each region to assign values to specific countries, using as weights the data on population from Mitchell (2007a, 2007b) and Maddison (2005). Alternatively, we also performed the disaggregation weighting the values using arable land area from Nunn (2009). The values on trade for each country using the two different weights were not very different from each other. We chose to report here the results with the data we constructed using population as weight.

The regions were divided in terms of colonial possessions and geographical location. Note that, since the composition of colonial possessions changed over time, we had to repeat the dis-aggregation procedure annually as countries were either included in or excluded from the groupings of the original data. We managed to conduct the disaggregation as accurately as possible, making sure that all countries were accounted for without placing any country in the wrong region in any given year. For example, the African continent contains the following regions: “Etats Barbesques”, which were divided into Libya, Tunisia and Morocco, “Côte Occidentale du Maroc au Cap de la bonne-espérance”, reflecting the western coast of Africa, “Colonies Anglaises: Partie Occidentale” and “Colonies Anglaises: Partie Orientale (y compris l'île Maurice)”, and “autres pays”. The name of the sub-group “Colonies Anglaises: Partie Orientale (y compris l'île Maurice)” is geographically and historically self-explanatory, which makes it easier for us to divide it into the following countries: Malawi, Tanzania, Kenya, Somalia, Uganda, Sudan and Mauritius. The French colonies were grouped separately and contained both individual countries, like Algeria, Guadeloupe and Martinique, and sub-groups like “Etablissements Français dans l'Inde”, “Nouvelle Calédonie”, “Cochinchine et Tonkin”, and “Sénégal et Golfe du Guinée”. The sub-groups were disaggregated on the basis of the geographical location indicated by their names.

Moreover, in order to take into account, on a yearly basis, events such as colonisation, independence, creation of a nation and new groups entering the sample, we constructed three new variables describing the status of the country: the name of the coloniser, the year of colonisation, and the year of independence based on the Geo CEPII data from Mayer and Zignago (2011), complemented from various historical sources.

Taking a closer look at the products constituting each of the three sectors, we notice that products traded under one sector may not be the same, depending on the identity of the country of origin or of destination. For instance, the French exported mainly food products to their colonies (flour, wine, oil), while they mainly imported agricultural raw materials (i.e. wheat, sugar, fruit) from them. The raw materials necessary for industry consist of mining products such as gold, cobalt, phosphate and iron, as well as wood and wool. The manufactured goods exported to the colonies consisted of low-value products such as wooden products, while the exchange with the European countries consisted mainly of high-value products such as jewellery and cars, among others.

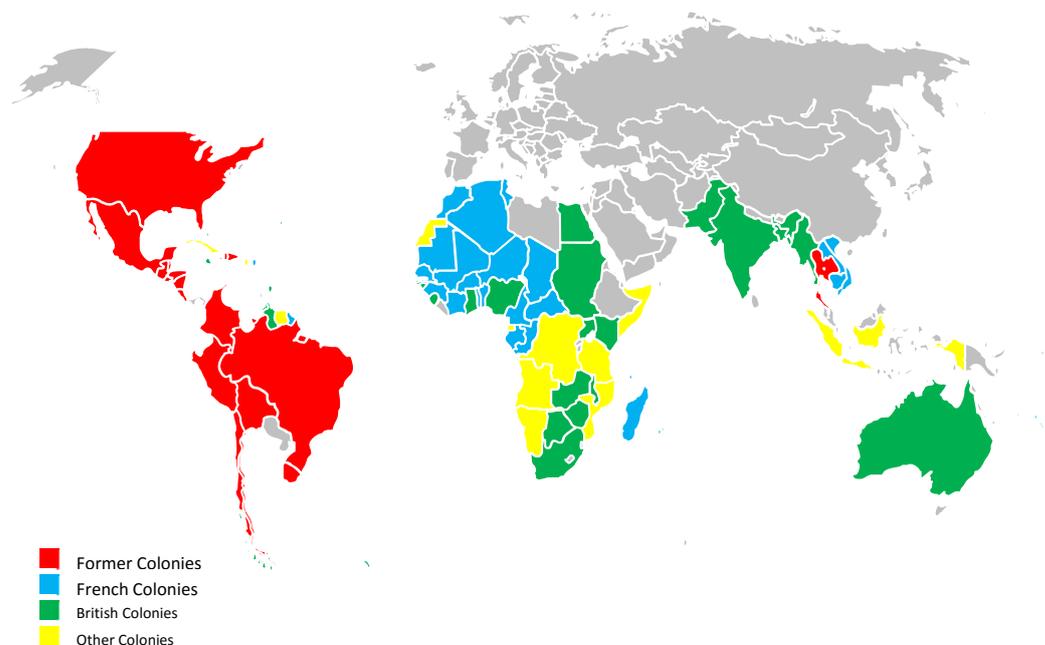


Figure 1: Colonies by geographical location

4. French trade patterns

4.1 The impact of colonisation events on French trade

We started by investigating whether the event of colonisation affected trade between France and the different groups of colonies. To that end, we took a closer look at the evolution of trade between colonial groups (French, British and other colonies) and France five years prior to and five years after the colonisation event. Figures Figure 2,

Figure 3

Figure 4 depict the evolution of imports and exports computed as the average of, respectively, nine French colonies that were acquired between 1885 and 1912, eight British colonies acquired within roughly the same period, and three colonies of Spain, Germany and Belgium respectively.

Figure 2 shows that, within the five years following colonisation, French exports to French colonies were three times greater for manufactured goods and two times greater for food products. As for the French imports from their colonies, the value of raw agricultural goods did not increase much during the first four years after colonisation, but doubled during the fifth year. The figure also shows that imports of raw material for industry from French colonies had been decreasing progressively by a ratio of two thirds over the five years prior to colonisation. At the event of colonisation they started to increase again, rising above their original value in the fourth year of colonisation. Interestingly, those figures are in accordance with the widespread idea that the main reasons behind colonial

expansions were economic exploitation (through imports) and the use of colonial markets as an additional outlet to dispense of their own products (through exports).

For instance, cocoa exports boomed in the Gold Coast, and timber exports from the Ivory Coast multiplied by a factor of six precisely in the last twenty years of the nineteenth century, which was the period of the largest expansion of colonialism (Frieden 2006). Also, in Indochina (under the French colonial regime), the land under cultivation increased dramatically, allowing the region to become the third largest producer of rice in the world. Upon colonisation, colonies that had manufacturing ambitions were forced to switch to primary production (Lenin 1971).

Interestingly enough, British colonisation had no impact on the bilateral trade relations between British colonies and France, as shown in

Figure 3. One can infer from this result that the British were flexible, allowing their colonies to continue trading with France as they used to before the event of colonisation. Moreover, we noticed that, for the German, Spanish and Belgian colonies, the trade of their newly acquired colonies with France decreased to almost zero, as shown in

Figure 4. This is an indicator that their coloniser deviated their trade away from France, towards empire colony trade. One explanation is that colonial expansion gave some sort of authority to the coloniser to bias trade towards its own colonies. Actually, colonising countries had the power to control the flow of traded goods into their colonies.

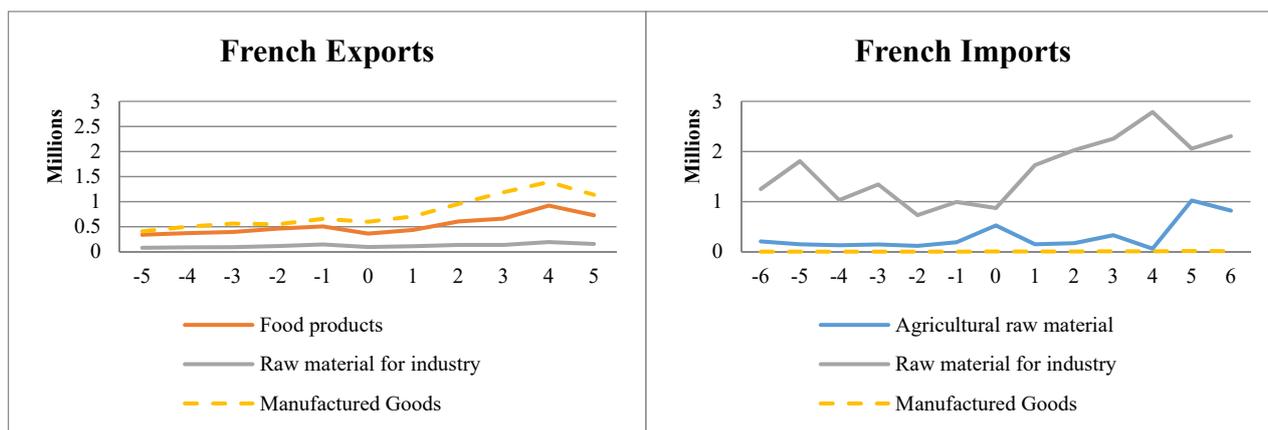


Figure 2: The impact of colonisation on French trade with French colonies

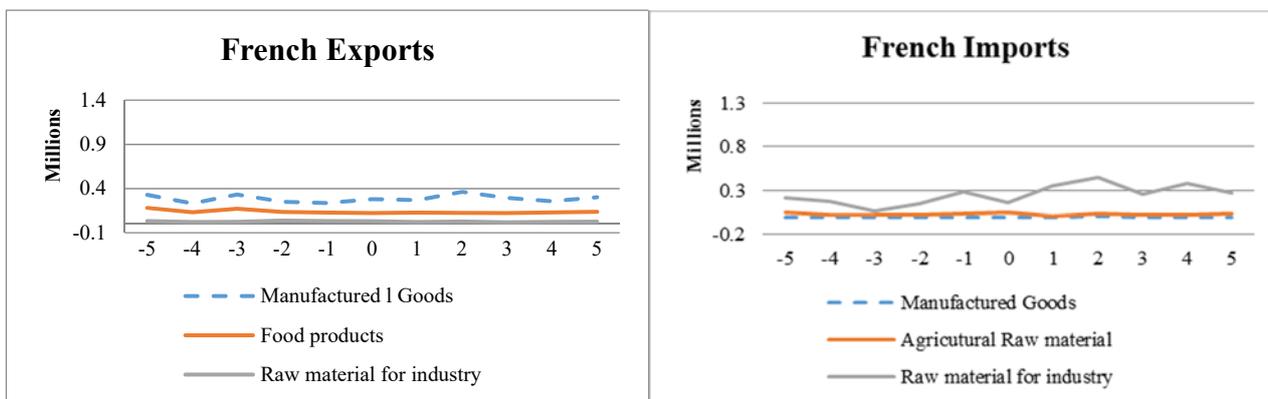


Figure 3: The impact of colonisation on French trade with British colonies

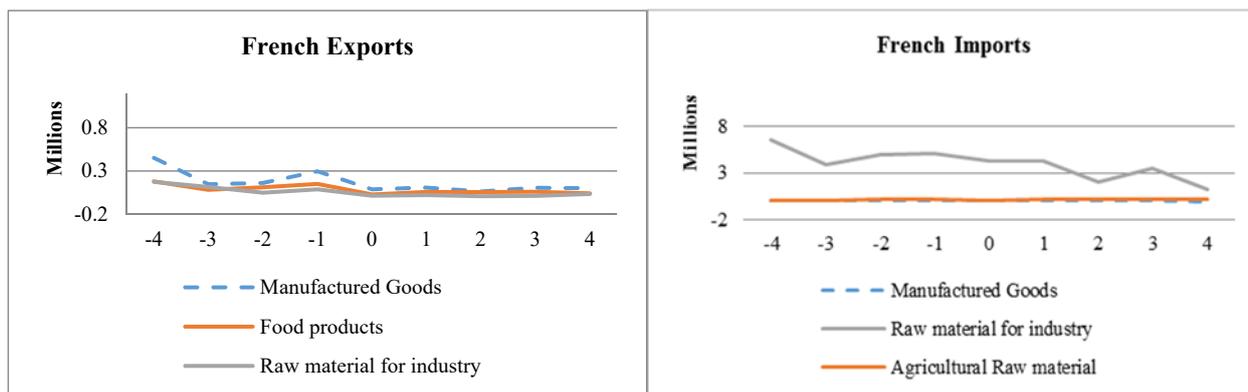


Figure 4: The impact of colonisation on French trade with other colonies

4.2 French exports and imports

In this section we describe the evolution of French trade with the different groups of countries. Note that, since we are only interested in highlighting the economic importance of such trade from the point of view of the economy of the colonies that are relatively poor, we computed the per capita trade of each group of countries with France, thereby using population size as a proxy for the partner country's economic size.

The use of trade per capita eliminates the bias resulting from the uneven number of countries present in each group (i.e. Europe contains 16 countries, whereas there are 37 British colonies), and the uneven size of each country in each group (i.e. Germany's population was around 50 000 000 in 1913, whereas Benin's population was around 500 000 in the same year).

In a first visual inspection, we noticed that the share of bilateral imports and exports between France and its colonies was the highest for most sectors compared to the share with other partners. This is particularly true for exports and imports of agricultural raw material, as shown in Figure 5.

As Figure 6 highlights, the relative share of French imports of raw material necessary for industry was around 70%. In fact, mining in the French colonies accounted for 42% of the total industries founded in those colonies (Marseilles 1984). This is consistent with the increase in the share of per capita French imports of raw materials for industry from French colonies – from 30% in 1887 to 70% in 1894/1895.

From

Figure 7, we notice that French exports of manufactured goods to French colonies accounted for 80% of total French exports of manufactured goods.

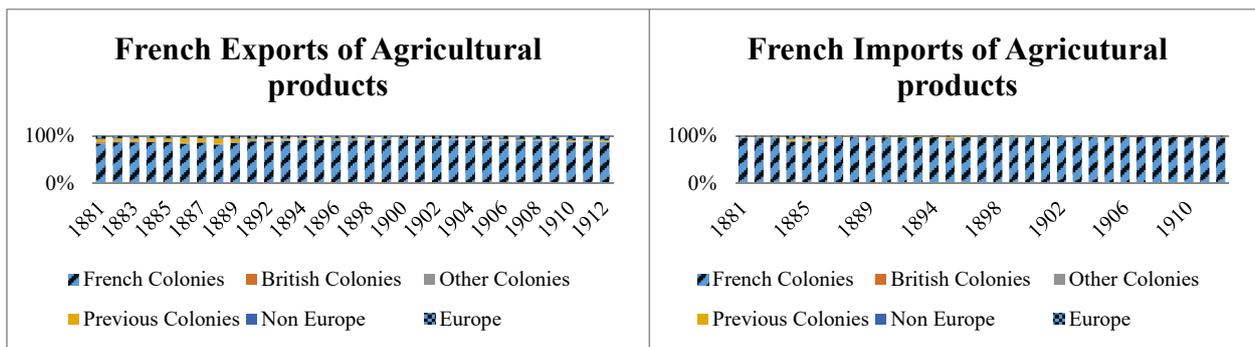


Figure 5: Share of French trade – agricultural products

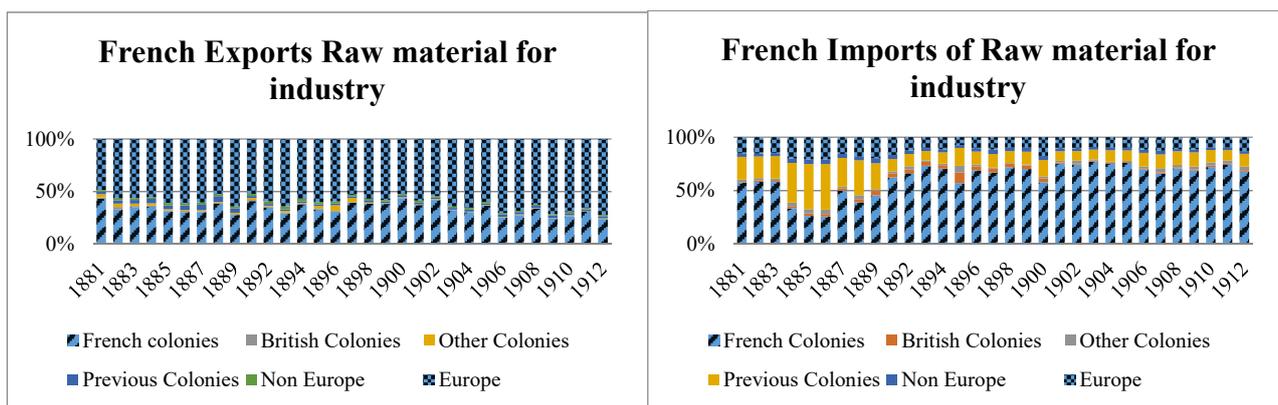


Figure 6: Share of French trade – raw material for industry

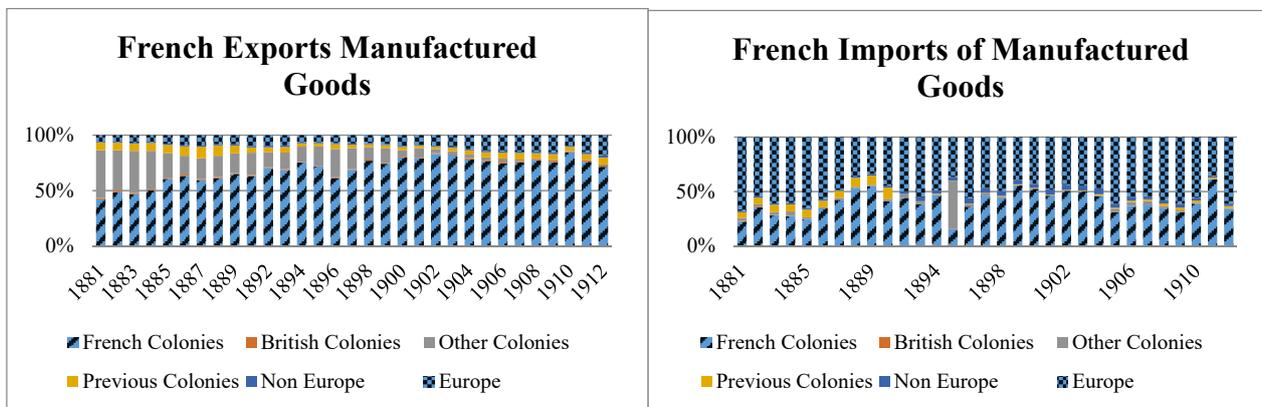


Figure 7: Share of French trade – manufactured goods

This section highlights that the most important exchanges between France and its colonies are French imports of primary material and exports of manufactured goods, a trend that started increasing after French colonisation. The figures relate to a very common theory, namely that of complementarity (Lenin 1917): “In order for the colonizer to pursue his objective of trade, the economies of colonies must be complementary to the industrial economies of the imperial powers. That is, colonies must eliminate their manufactures and specialize in the production of primary goods to export them. The returns from those exports should finance the imports of manufactures imported from the colonizers’ countries.”

This theory is particularly relevant for France, whose domestic production shifted from agriculture to manufacturing during the French colonial expansion in the 1880s, paralleled by an increase in the share of French imports of raw agricultural and raw industrial material from its colonies.

5. Indicators of trade patterns

In the previous section we highlighted some features of Franco-colonial trade that confirm the prevailing view in the economic history literature that the French applied coercive labour policies to exploit their colonies, biased production towards primary products, depressed wages, and created monopolies to extract all rent from trade (Marseilles 1984; Tadei 2013).

In order to further explore trade patterns between France and her trading partners, we calculated some trade indicators that shed further light on French trade practices. For the statistics presented in this section, we again used the total trade with France to compute the economic indicators.

5.1 Balassa's revealed comparative advantage

The revealed comparative advantage index, developed by Balassa (1965), is an index that captures the relative advantage or disadvantage of a certain country in a certain product or class of products or services, as evidenced by trade flows. Since we do not have data on world trade, we can only compute the ratio of the share of exports of each colonial group in sector s **to France** to the share of the world's exports in sector s **to France**. Hence, we can only measure the revealed comparative advantage of each colonial group as a measure of their economy's specialisation in a specific sector **with respect to trade with France**, and not with the world. We denote this index RCA^F , and we compute it as follows:

$$RCA^F = \frac{\left(\frac{ex_{is-FR}}{EX_{i-FR}}\right)}{\left(\frac{ex_{s-FR}}{EX_{FR}}\right)}$$

where ex_{is-FR} denotes exports to France in sector s , where $s \in \{agricultural\ raw\ material, raw\ material\ for\ industry, manufactured\ goods\}$, from a group of countries i , $i \in \{French\ colonies, British\ colonies, other\ colonies\}$. EX_{i-FR} denotes total exports from group i to France. The numerator constitutes the share of exports in sector s from group i to France, and is divided by $\frac{ex_{s-FR}}{EX_{FR}}$, which represents the share of exports from all countries in sector s to France.

Figure 8 shows, for each of the three sectors, the RCA^F with respect to trade with France for French, British and other colonies.

With respect to trade with France, the French colonies had a comparative advantage in raw agricultural material, with a revealed comparative advantage of steadily above 2 for the whole period.

The RCA of French colonies for raw material for industry is slightly below 1, whereas for manufacturing it is almost zero. The RCA values could simply reflect that French colonies had a comparative advantage in primary agriculture due to low labour cost and availability of land, but could also mean that the French coloniser was exploiting those colonies. Unfortunately, the information generated from the RCA values does not exclusively confirm or refute that France exploited its colonies' agricultural and natural resources by importing all their raw material.

However, historically, scholars favour the theory of exploitation rather than that of comparative advantage: Lenin (1971) states that colonisers exploit underdeveloped countries because profits are usually high, capital is scarce, the price of land and labour is low, and raw materials are cheap. Alam (1994) also states that colonisers usually impose a high level of imperial control in order to offset the

costs generated by low labour productivity, especially in land-scarce countries. Moreover, land scarcity implies that there is little room for growth based on primary production, unless the technology is changed. Since these countries are also prevented from developing their long-run comparative advantage in manufacturing, they cannot achieve growth by only specialising in primary production, especially while facing terms of trade that increase the rent for the colonising country.

The RCA of British colonies was high for the sector of raw materials for industry. British colonies might have had a comparative advantage in exporting the raw materials necessary for industry to France, such as exports of iron, tin, copper, wool and rubber, which they were able to export due to the "open door" policy imposed by Great Britain.

Figure 8 shows that, up until the mid-1890s, "other" colonies specialised in exporting raw agricultural material to France, whereas after 1896 they shifted towards raw materials for industry. We know that trade between France, on the one hand, and Namibia and Western Sahara, on the other, was scarce. Hence, the shift towards exporting raw material for industry to France should have been from the Belgian colony. The Belgian Congo was known to be rich in natural resources, such as gold and other precious metals, and fully exploited by the Belgian colonisers. If we assume that excavation did not occur immediately at the time of colonization, but only a few years later, this would explain the shift in the RCA of that particular sector in the mid-1890s.



Figure 8: Revealed comparative advantage

5.2 Contribution to trade balance

Another indicator that helps describe the Franco-colonial trade patterns at the end of the nineteenth century is the contribution to trade balance (CTB). This indicator focuses on a country's specialisation profile by comparing its trade balance in sector *s* with that of the country as a whole (Dedinger 2012). It indicates whether an industry performs relatively better (or worse) than the total, and can be interpreted as an indicator of revealed comparative advantage that is based on countries' trade specialization. The CTB is calculated as follows:

$$CTB_{si} = \frac{[(EX_{si} - IM_{si}) - (EX_i - IM_i) \frac{EX_{si} + IM_{si}}{EX_i + IM_i}]}{EX_i + IM_i}$$

If there were no comparative advantage or disadvantage for any sector *s*, a country's total trade balance (surplus or deficit) should be distributed across industries according to their share in total trade, and CTB should be close to zero. A positive value for a sector or industry indicates a structural surplus, and a negative one a structural deficit, hence the country specialises in this sector relative to the other sectors. The indicator is additive and, by construction, the sum over all sectors is zero.

Figure 9,

Figure 10 and

Figure 11 plot the path of France’s CTB relative to each trading group. French trade in manufactured goods exhibited a structural surplus of 25% with its colonies and of around 10% with the remaining trading partners. This result indicates that France specialised in manufactured goods. France exhibited a deficit of 25% towards its colonies in trade of raw materials for industry. Therefore, compared to other sectors, France had a structural deficit in the raw materials necessary for industry in its trade with its own colonies. The CTB of French trade in agricultural goods showed a slight structural deficit with the French colonies and Europe, and a slightly positive one with the British and other colonies. This indicator, along with the previous ones, also gives a taste of the reality of exploitation of primary products during French colonisation.

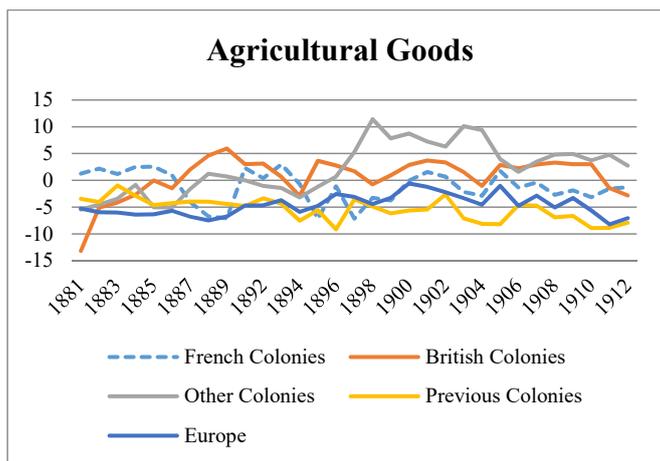


Figure 9: CTB of agricultural goods

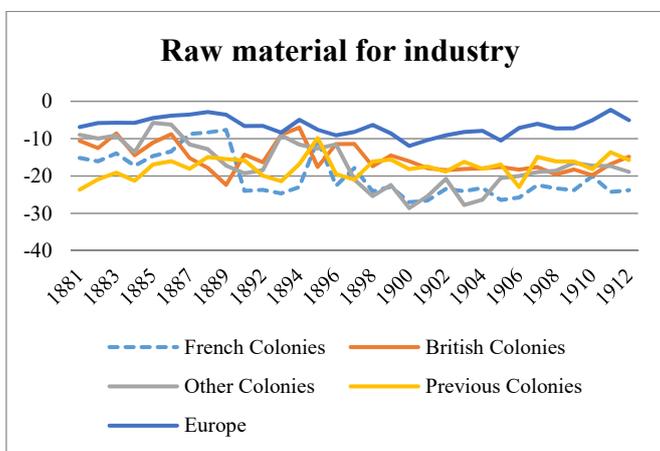


Figure 10: CTB of raw material for industry

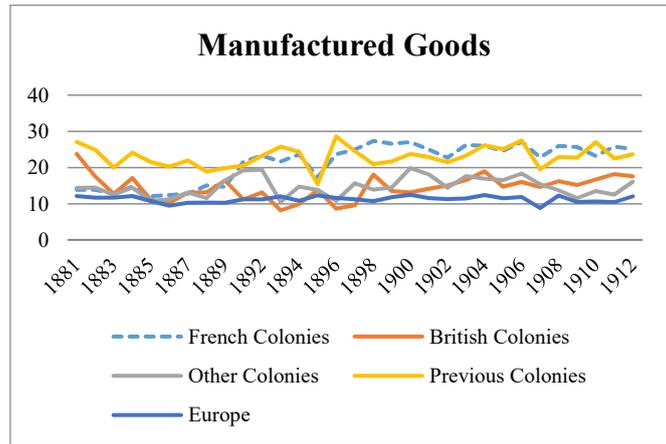


Figure 11: CTB of manufactured goods

5.3 Share of manufactures in total exports or imports

The first equation in the following set of equations is the percentage share of French exports of manufactured goods in the French total exports to each group of countries i . The second equation is the percentage share of French imports of manufactured goods in the French total imports to each group of countries i .

$$\begin{cases} X_{si} = \frac{EX_{si}}{EX_i} \times 100 \\ M_{si} = \frac{IM_{si}}{IM_i} \times 100 \end{cases}$$

Figure 12 shows the percentage share of French exports and imports of manufactured goods. It can be noted that 60% of total French exports to its colonies were composed of manufactured products, whereas less than 5% of French imports from its colonies were of manufactured goods. If we deduct the share of French imports of primary products from French colonies, we find that 95% of French imports from its colonies were composed of primary production.

All these indicators are compatible with our initial theory: France used the colonial land to exploit colonies' resources and the colonial markets to dispense of French manufactured products. Terms of trade with French colonies were in general unfavourable to the latter and favourable to the former. The colonial power provided room to interfere in trade policies in favour of the colonising country. As for the trade with Europe and its former colonies, this was free from any foreign powers and hence able to apply policies in favour of its national and commercial interests (Maddison 1989).

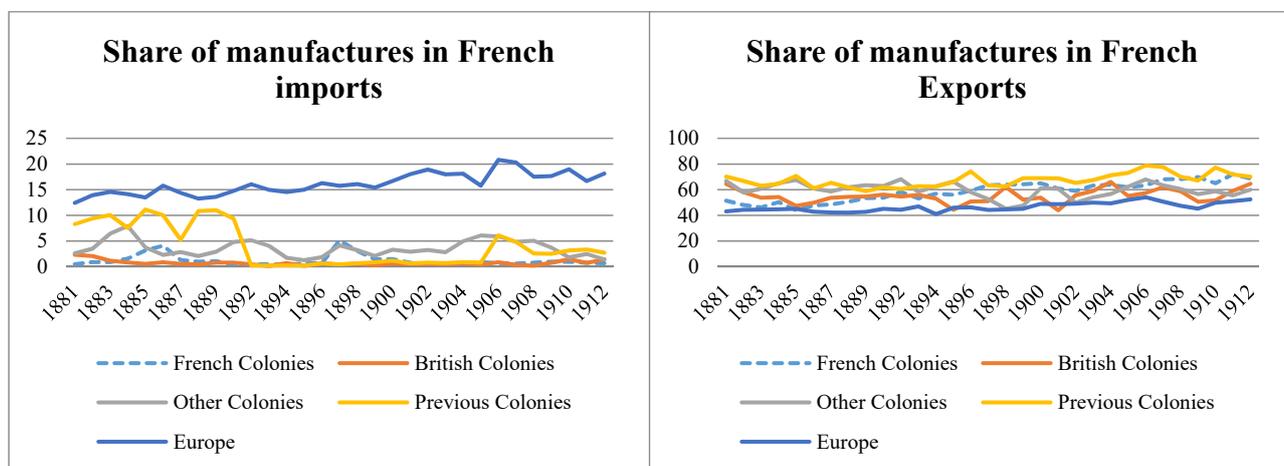


Figure 12: Share of manufacturing in total French exports and imports

6. The role of trade policy

The trade statistics that we have described in the previous sections present some interesting patterns. We suggest that these patterns stem from policies imposed by France on its colonies, and from trade policies imposed by other colonial powers on their respective colonies. European powers viewed colonies as a way of setting up protective legislation and preferential trading relationships, and of ensuring solvable markets in the interest of the mother country (Alesina 2002; Estevadeordal *et al.* 2003).

Unlike Britain, which adopted liberal policies, France adopted protectionist policies, for the benefited from these and forced population of the colonies to “buy their imports for more and to sell their exports for less than world prices” (Kleiman 1976).

We have identified three forms of historical preferential trade agreements that prevailed in trade during the colonial period: on tariff assimilation, preferential tariff policies, and open door policies. As defined by Mitchener and Weidenmier (2008), “Tariff assimilation is a policy regime where the tariff rates on goods are the same in the colonising country and the colony. Under this arrangement, the colonising country and colony form a custom union. Preferential tariff system describes a trade policy where colonies and the mother country have differential tariffs but non-empire goods are generally taxed at a higher rate. An open door trade policy refers to a tariff regime where there is no distinction made between the products of the mother country and non-empire trading partners.”

Table 2, extracted from Mitchener and Weidenmier (2008), shows the colonial tariff systems between each colonial power and its corresponding colonies. France and most of its colonies formed custom unions. This regime allowed the colonies to enjoy free trade with France for most products, while non-colonies had to pay tariffs. This policy aimed mainly at promoting trade within the empire in order to, first, acquire primary products at low prices and, second, to ensure profitable markets for its products in times of economic crisis, or of saturation of the European markets (Marseilles 1984; Alesina 2002). On the other hand, the British system applied quite loose trade policies, giving the opportunity to its colonies to trade outside the empire. Bairoch (1989) notes that Britain had a free-trade colonial policy and colonial trade was open to all foreign countries.

Table 2: Tariff systems by country

Countries	Assimilated	Preferential	Open Door
France	Algeria, French Indo-China, Madagascar, Reunion, Martinique, Guadeloupe, New Caledonia, French Guiana, Gabon		
Great Britain		Dominions: Canada, Australia, New Zealand, Cook Islands, Union of South Africa, Rhodesia; Colonies: Trinidad, British Guiana, Jamaica and Caymans, Turks and Caicos, Barbados; Leeward Islands: Dominica, Montserrat, St. Christopher-Nevis, Virgin Islands, Antigua, Windward Islands, Grenada, St. Lucia, St. Vincent, British Honduras, Bahamas, Fiji	British India, Newfoundland, Papua, Norfolk Island; Colonies in Asia: Aden, Ceylon, Straits Settlements, Federated Malay States, Protected Malay States, Hong Kong, Weihaiwei
Germany			German East Africa, German Southwest Africa, Kamerun Togo, German Samoa, New Guinea
Spain		Fernando Po Spanish Guinea	Canary Islands, Spanish Morocco
Belgium			Belgium Congo

Note: An assimilated tariff system is where the tariff rates on goods are the same in the colonising country and in the colony. A preferential tariff system is where colonies and the mother country have differential tariffs, but non-empire goods are generally taxed at a higher rate. An open-door tariff regime does not distinguish between the products of the mother country and the non-empire trading partners.

Figure 13 reports the repartition of French colonies’ imports from France on the basis of the tariff system (Marseilles 1984). According to the figures, colonies forming a customs union with France imported more than 78% of their total imports from France, making the latter their main provider of

products. Those under a preferential tariff system imported 15% of their imports from France, while colonies under the “open door” policy only imported 7% of their imports from France.

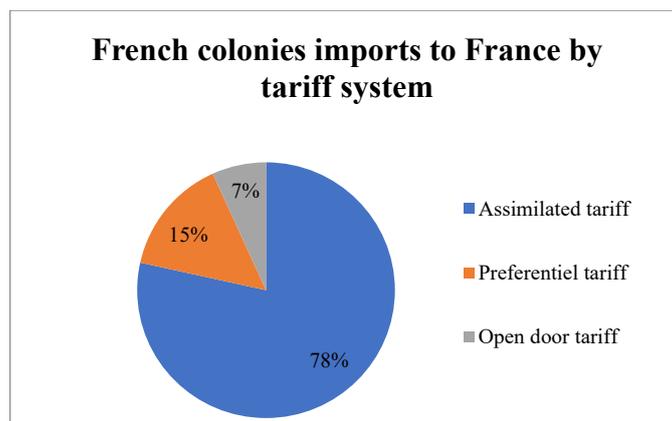


Figure 13: French colonies imports by tariff system

7. Concluding remarks

The main motive of this article was to describe the construction of a new dataset of French trade statistics from 1880 until the eve of WWI, and to investigate the trade patterns as well as some stylised facts we can identify from this data. To build the dataset we relied on various primary historical sources containing information on the value of French trade, split into three sectors –agricultural raw material, food, and raw material for industry and manufactured goods – with each of its trading partners during the period from 1880 to 1912. The first part of the article was devoted to the definition and construction of the dataset and the historical background. We then proceeded to the description of French trade patterns and compared them across French, British and other colonies.

First, we found that, at the event of French colonisation, trade between France and its own colonies increased, while colonisation from Britain and other colonising countries did not affect trade between France and those colonies. The French colonies provided France with raw agricultural goods and imported its manufactured goods. During times of crisis, the empire was used as a buffer to dispense of the products of the coloniser. Colonial markets were considered a privileged island in the international markets. The exchange between France and its colonies was very important to the economy of those colonies.

Our stylised facts also show that the French colonies had a “revealed comparative advantage with respect to France” in agricultural goods. Also, France exhibited a long-run deficit in both agricultural raw material and the raw material necessary for industry, as well as a long-run trade surplus in manufactured goods. The deficit trade balance in raw material with its colonies suggests that France was capable of extracting the colonies’ raw materials without “paying” them with comparable exports. We also found that the French colonies that traded the most with France had signed preferential trade agreements with the colonising country, which suggests that those trade patterns may have stemmed from trade policies between France and its colonies, such as customs unions and assimilated tariff systems.

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Tableau décennal du commerce de la France, 1880-1920.

Tableau général du commerce de la France, 1880-1922.

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