

A Historical Overview of the Economic Foundations of States in the Nile Valley Region

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Abstract

This paper discusses the nature of the traditional economies of states located in the Nile Valley region. Records have shown that all of these states operated a command economy, where the government had a firm grip over the economies. In Ethiopia, a new dimension was introduced as the church was also a major player in the economy. The paper also reveals that the states of Egypt, Ethiopia, Eritrea, Sudan and Somalia practised a blend of mixed agriculture i.e. animal husbandry and farming. Furthermore, some of these states engaged in trade, taxation, slavery, slave trade, forced labour, and manufacturing. The paper concludes that the various economies have since transformed from their traditional nature to modern economies still leaving room for accelerated advancement.

Introduction

The economic foundation of states in the Nile Valley region from its traditional state is the central theme of discussion in this paper. The states under consideration are Egypt, Ethiopia, Eritrea, Somalia and Sudan. Available records have shown that agriculture was the mainstay of these economies, and it also formed the basis of other economic activities, such as trade and manufacturing, especially in Egypt. Furthermore, agricultural practices in these states entailed farming and animal husbandry. Climatic conditions also played a major role in the type of agriculture practiced in these states; states such as Ethiopia and Eritrea could not engage in extensive farming activities as a result of their climate and general topography. Although, the nature of the economies of the various states in the Nile Valley region was generally agrarian, yet it could not be considered to have had uniform structures. Our attention shall now be focused on each of the states mentioned above.

Egypt

The economy of Egypt during the pharaonic period could be described as an ancient command economy (Nefertiti, 2008). This means that specialised bureaucracies monitored and controlled much of the economic activities that occurred in Egypt. Since agriculture was the mainstay of the ancient Egyptian economy, the allocation of land, assessment of expected crops, and collection of agricultural produce as taxes, storage and redistribution of agricultural products were done by the special bureaucracies. Perhaps, the only freedom, which the farmer had, was his choice of what to plant.

Important crops grown in Egypt were wheat, barley, lettuce, beans, onions, grapes, melons, cucumbers, and the castor oil plant (*Ricinus communis*) from the fruit of which oil which was used for many purposes was pressed. The natural river irrigation shaped the early landscape of ancient Egypt. This also aided the cultivation of crops such that drainage was not required for the valley to become liveable because it might constitute some problems by washing away planted

and growing crops in the lower lying region of the delta which, more often than not, were marshy lands. Thus, with the aid of natural flooding and draining of the floodplain, the annual inundation allowed for a single crop-season over two-thirds of the alluvial ground (Nefertiti, 2008).

Although the practice of agriculture in ancient Egypt and other states in the Nile Valley region was not mechanised, the farmers understood and adopted simple farming techniques, such as ploughing with the aid of animals, which sustained that sector of the economy. The Egyptian plough was lightly built and tied to the horns of cattle but, when animals are not available, humans pull the plough instead. Furthermore, the Egyptian farmer made effective use of the hoe in loosening the soil (Ikpe, 2003: 226).

On the whole, ancient Egyptian farmers could be accurately described as accomplished farmers, who were ingenious with a system of irrigation which prevented the salinity of the soil. However, when compared to modern-day agricultural practice, one would not be wrong to argue that agricultural techniques in ancient Egypt were not very efficient. Improvements on production techniques were rare and implements remained traditional. Furthermore, the breeding of livestock was haphazard because, more often than not, cattle were bred for ploughing purposes.

Aside from agriculture, other sectors of the ancient Egyptian economy included trade and manufacturing. Trade became a feature of the ancient Egyptian economy during the fourth century BC (Grant, 1996: 50). The Egyptians engaged in both domestic and foreign trade. However, because the ancient Egyptian society was one in which most people engaged and made a living from agriculture, surpluses were small, thus, trade was limited.

The Egyptians traded with countries around the Mediterranean Sea, Aegean Sea and the Red Sea. Silver, iron, cedar logs, horses, ivory, copper, cattle, leopard skins, and spices formed the bulk of items brought from other countries into Egypt, while the main products taken or bought from Egypt included gold, wheat, barley, and papyrus sheets (Grant, 1996: 53). It is important to mention here that overseas trade was mainly in the hands of royal emissaries. This was largely because the needs of the Egyptian farming population were basic; they needed grain, dried fish, vegetables, some linen for a simple loincloth and mud bricks to build a hut. In this regard, Egyptian farmers produced their own food without any plan to produce for the market and got mud from the nearby river bank (Nefertiti, 2008). Unlike the Greeks and Romans, the Egyptians did not see trade as a legitimate way to amass wealth and get rich; hence they had no merchant class. Those who could be described as merchants were people who were simply employed "...to find and deliver merchandise; they were paid for their labour but did not expect any additional profit" (Nefertiti, 2008). Depending on the wealth of royal emissaries, they could trade for all of the necessities and wide range of luxuries.

During the period under review, the Egyptians had not invented the use of coin and paper currency as a medium of exchange; hence, trade was by barter and this continued even after coin money was introduced during the second half of the first millennium BC. However, the impact which the introduction of coin and paper currency had on the domestic economy and trade in general was negligible until the Roman times when the effects became widely noticeable (Grant, 1996:54).

Some rudimentary form of manufacturing also took place in ancient Egypt with women playing a very significant role. It is important to state here that there were no legal restrictions on the participation of women in economic activities in the ancient Egyptian economy. Most of the women could and actually possessed properties, they were fully engaged in commerce, borrowed and loaned money, and above all, a woman could inherit and operate a large, wealthy estate. Thus, it was not strange to discover that division of labour existed between men and women in the practice of basic manufacturing in ancient Egypt. For instance, while the men grew flax plants (a plant that is made into thread and woven into linen fabric), their women spun and wove them into linen.

Basically, manufacturing activities in the ancient Egyptian economy was largely carried out by families that produced raw materials, which indicates subsistence just as in the practice of agriculture. A sizeable proportion of cultivated grain was processed for beer production and, across the country, there were basic factories that produced beer, as well as cloth, and dried fish in the quantity that sustained the economy. There were also bakeries where breads were produced. Overall, it would not be wrong to assert that the ancient Egyptians had a thriving economy that met their needs.

Moving forward to the more recent times, from about 1259 AD, the agrarian nature of the Egyptian economy continued but suffered some neglect during the era of the Mamelukes. Not only did the Mamelukes neglect the agricultural sector of the Egyptian economy, they also imposed heavy taxes on the peasantry and nearly bled the country white. At this juncture, it must be mentioned that the Egyptian peasants were exploited by the Mamelukes with the active cooperation of the Ottoman Sultan of Turkey, who was only interested in the financial returns made by the Mamelukes to him.

The arrival of Napoleon Bonaparte to Egypt in 1798 marked a new turn in the Egyptian economy. Napoleon Bonaparte did not only revive the irrigation system, which was very crucial to the growth and development of agriculture, he also reduced the burden of heavy taxation imposed on the peasants by the Mamelukes. This, he did in order to be accepted by the ordinary citizens of Egypt (Al-Heji, 1996: 162). With the exit of the French from Egypt, Muhammad Ali assumed the mantle of leadership in Egypt and improved on the irrigation systems, trade and commerce. Perhaps, the sector of the economy, where Muhammad Ali left his footprints on the sand of time was the manufacturing and industrial sectors. In this sector, Muhammad Ali desired to be independent of Europe but made use of European technicians to achieve his aims. He established a steel and iron foundry, as well as ship building plants erected in Alexandria. Modern textile mills were also established in various parts of Egypt (Wilber, 1967: 282).

Although, Muhammad Ali's industrial project did not succeed as he had wished, he should be credited for modernising the economy of Egypt and laying a foundation for his successors to follow. On the whole, it can be safely argued that the economy of Egypt has grown from its traditional state to a modern-day economy.

Ethiopia

Like Egypt, agriculture has been the mainstay of the Ethiopian economy. Due to its natural environment, the people of Ethiopia had an advantage over the other states of the Nile Valley region because the country has a diversity of soil, climatic altitude, and a long planting season.

The combination of these factors made it possible for farmers to cultivate a variety of crops. The general topography of the country also determined the regional distribution of crops planted and cultivated, hence the people were able to meet their domestic needs and also kept pace with expanding demand (Luther, 1958: 58).

During the period under consideration, aside from agriculture, taxation also formed a cornerstone on which the economy rested. The administration imposed taxes on the people for the upkeep of the government. Furthermore, the principle of serfdom was fully operational in the old Ethiopian kingdom. This meant that the peasants surrendered one-third or more of their produce to either the Emperor or the Church, who were the principal land owners. In addition, the land owners also collected the traditional tithe and a host of other taxes. Provincial Governors collected tributes, tithes and other items, such as horses, clothes and gold on behalf of the Emperor. However, the Provincial Governors were allowed to deduct the cost of running the provincial administration from the collections before remitting the remaining to the Emperor (Luther, 1958: 20).

As was the practice in Egypt, a level of command economy also existed in Ethiopia. Slavery and forced labour was a common feature of the Ethiopian economy as both went hand in hand. It may be a surprise to many scholars of Ethiopian history and observers that the Ethiopian Christian and Muslim population approved the existence and practice of slavery and slave trade within the Ethiopian society until 1935 when the Italians tried to occupy Ethiopia (Lipsky, 1962: 245-247). Thus, it will not be wrong to state here that the existence of slavery, serfdom and forced labour contributed largely to the development of agricultural practices in Ethiopia.

As the mainstay of the Ethiopian economy, agriculture comprised farming and animal husbandry. A majority of the population were involved in subsistence farming, consuming most of their products while surpluses were disposed off through the barter system. As was obtained in Egypt, the Ethiopians also used the plough and hoe in their farming activities and in both cases were complemented with cattle and human labour. It was only at the beginning of the 20th century that the use of modern equipment became a feature of Ethiopian agriculture (Gartler, 1982: 29).

Crops planted and cultivated by Ethiopian farmers included coffee, barley, wheat, maize, and sorghum. Cotton was grown but in limited quantities just like the oilseed. Other crops were citrus fruits, bananas, avocado peers, grapes, mangoes, strawberries, pineapples, to mention but a few. These crops were grown in various parts of the country. However, the most widely grown food crop in the highlands was *teff* – a variety of grain, which remains a staple food item in Ethiopia till date (Lipsky, 1962: 254).

As mentioned earlier, animal husbandry was also a feature of Ethiopian agriculture. Livestock, such as cattle, sheep, goats, donkeys, horses, mules and camels were reared and bred in various parts of Ethiopia. The animals had economic values because they served as a source of obtaining meat, dairy products, wool, hides and skin. While the donkey, horse, mule and camels served as pack animals and also as means of transportation. The cattle ranks first in socio-economic importance because ownership of this animal was regarded as a sign of wealth in the northern part of the country while, in the south, the cattle was regarded as a sacred animal, which must not

be eaten (Luther, 1958: 89). Sheep and goats provided the main source of obtaining hides and skins.

It is expedient to state here that local markets in Ethiopia, during the period under consideration up to the 20th century thrived. Trade in animal, hides and skins served as a major source of foreign exchange to the country. A general survey of the Ethiopian economy towards the beginning of the 20th century has shown that economic activities were geared towards meeting its domestic needs with minimal export activities. International trade was barely non-existent in Ethiopia before the war it fought with Italy.

However, over the years, the Ethiopian authorities have adopted modern economic principles and have tried to modernise economic activities in the country. This effort notwithstanding, the agricultural sector has been suffering from frequent drought and poor cultivation practices. It is worthy of note that till date, under Ethiopia's land tenure system, the government owns all land and provides long-term leases to the tenants; this system has continued to hamper growth in the industrial sector as entrepreneurs are unable to use land as collateral for securing loans (Luther, 1958: 137-139). Finally, it will not be wrong to assert that although the Ethiopian economy has responded to transformation, the frequent drought has left the economy gasping for breath.

Eritrea

Located in the Horn of Africa near Ethiopia, the country is bounded in the south by Ethiopia, in the west by Sudan, in the north and east by the Red Sea (Legun & Lee, 1977: 20). The country was formally integrated into the kingdom of Ethiopia under a federal arrangement by the United Nations Organisation on September 15, 1952. Before the integration, the country was administered by Great Britain for eleven years. At this point, it is pertinent to mention that the country known as Eritrea today was in 600 AD under the kingdom of Axum (Treraskis, 1960: 50).

The nature and structure of economic activities in Eritrea during the 18th and 19th centuries were basically traditional. Climatic conditions affected agricultural activities in Eritrea, just as in Ethiopia. The lowlands were generally hot and dry, while rainfall was barely adequate except for a small area north of Asmara. The Red Sea plain has an intense hot desert climate, and the country has only one river, the River Setit, which is located on the southern frontier with Ethiopia, and flows for approximately three months in a year.²³ Eritrean land is largely uncultivable because most of it is used for grazing by herders, while farming was not a viable venture because the farmers had to contend with stony soil. Again, deforestation and the consequent problem of erosion coupled with non-availability of irrigation channels made more Eritreans to take to nomadic activities other than farming.

In the early 19th century, Eritrea was occupied by the Italians and, henceforth, the country became a channel through which manufactured goods from Italy reached Ethiopia, Sudan and Arabia. From these countries, the Italians obtained some raw materials needed by Italian industries. Thus, Eritrea became virtually dependent on Italy as a source of obtaining manufactured goods from Europe. However, the tide of history changed in Eritrea from May 1941, when British forces took over the country after running over Italian Somaliland and Ethiopia, thereby taking over the full control of economic activities in the region.

Economic activities in Eritrea during the British period were not much different from what was obtained during the period when the Italians were in control. Available records have shown that the British continued from where the Italians stopped such that from about the middle of 1941, the few industrial outlets that were in existence in Eritrea commenced operations again and items manufactured by these outlets included soap, beer, and matches, to mention but a few. Most of these products were just enough to meet the needs of the domestic market but towards the end of 1943, a few quantity of each of these items became available for export to neighbouring countries (Treraskis, 1960: 52-60). However, by 1945, most of the industrial outlets in Eritrea had closed down because they could not compete with products from European factories. This was the situation until the country became a part of Ethiopia under a federal arrangement in 1952.

After decades of being an integral part of Ethiopia, Eritrea declared unilateral independence on 24 May 1993 from Ethiopia. This led to a bitter and long drawn war. Since independence, the country has been faced with series of economic problem being a small and poor country. Like the economy of other nations in the Nile Valley region, the economy of the country is still based on subsistence agriculture with 80% of the population involved in farming and animal rearing. The Ethiopian-Eritrean war that occurred between 1998 and 2000, caused severe damage, and wreaked havoc on the Eritrean economy (Fukui & Markakis, 1994: 218).

Since the war ended, the government of Eritrea has maintained a firm grip on the economy by insisting on, and expanding the use of the military and party-owned businesses to execute Eritrea's socio-economic development agenda. The delayed demobilisation of farmers from the military along with the continued experience of erratic rainfall has kept agricultural production well below average. On the whole, Eritrea's economic future depends upon its ability to find long-term sustainable solutions to problems, such as illiteracy, unemployment, and low skills. Its economic development also depends on the willingness of the leaders to open its economy to private sector initiatives so that expertise and the needed financial impetus to boost the economy can flow into the country from overseas.

Somalia

Like Eritrea, Somalia is also located in the Horn of Africa. The basis of Somalia's economy during the 18th and 19th centuries was agriculture. This comprised subsistence farming and much of animal husbandry. Animals reared in Somalia include camels, cattle, sheep, goats and horses. While slaves were not allowed to own horses, wealth and status in the country were measured by the number of horses and other livestock each man or household kept. In the northern part of the country, camels were the most important animals and a rich stock owner could have as many as a hundred camels in his herd (Lewis, 1955a: 282-290).

In the southern part of Somalia, particularly among the Hauriya, Rahanirein and Digil, cattle remained the most important livestock, although the people still kept other animals, such as goats, horses, and donkeys, which served other purposes. The cattle, in particular, were kept for its economic and agricultural value. Livestock owners exchanged milk and other dairy products for grains and other produce from the cultivators. During the period under consideration, cultivation of agricultural produce was best done in the south than in the north. This is because the southern region was less arid compared to the north. Crops produced in the south include

cereals, beans, sesame, cotton, durra, and banana, to mention a few. It is important to note that these products were cultivated by the ethnic groups in the south according to the texture of their soil. Millet and maize were produced mainly by the people of the north (Lewis, 1965b: 55). The people of Somalia also practised fishing and hunting. Fishing activities took place mainly in the coastal waters of the north, while hunting was practised wherever games existed.

The people of Somalia also engaged in exchange. Thus, it was not surprising to discover that this exchange activity assumed a higher dimension, when the Indians and Arab traders arrived in the coastal waters of Somalia during the 19th century to purchase slaves and other items from the interior of Somalia. The trade in slaves continued until it was wiped out by the British towards the end of the 19th century. Economic activities in Somalia assumed a new dimension in the early 20th century when the British and the French occupied different parts of the country and took effective control of economic affairs in their areas of domain.

For about three decades now, Somalia's economic fortunes have been driven by its deep political divisions. The northern area has declared its independence as "Somaliland," the central area, Puntland, is a self-declared autonomous state, while the remaining southern portion is riddled with the struggles of rival factions. The situation notwithstanding, agriculture remains the most important sector of the economy with livestock accounting for about 40% of the gross domestic product and about 65% of export earnings. The ongoing civil disturbances and clan rivalries have made it difficult, if not extremely impossible, to introduce a broad-based economic development plan for the country.

Sudan

Sudan, also located in the Nile Valley region, occupies the largest landmass in Africa. The nature and structure of the Sudanese economy starting from the Funj period was basically traditional. The landmass of Sudan was traversed by a number of trade routes. Among the routes were one from the south to the north linking Sennar with Egypt, another was from the west to the east linking Darfur with Suakin (O'Fahley & Spaulding, 1974: 30). Commercial activities in the eastern part of Sudan were quite different from what was obtainable in the central region, yet contact and communication among the people was made possible by the various trade routes that linked the communities together. Thus, the differences in commercial activities that existed in several parts of the Sudan were harmonised by the numerous trade routes that were kept busy by caravans moving from one point to another. This situation made trade a flourishing venture, bringing people from different locations, such as Darfur, Egypt, and Arbaji together for commerce (holt, 1969: 14).

In most cases, market towns developed along the trade routes especially around the Salima and Kharija Oases. Traders bought Sudanese products such as millet, cotton, slaves, etc (Barbour, 1961: 1090). It is important to mention here that some of the slaves were used as domestic servants, field workers and armed bodyguards within Sudanese territory, while some were taken to far places, such as Egypt and the Arabian Peninsula. Slaves were taken mainly from Darfur, which is located in the southwest of the country.

During the Turco-Egyptian regime in the Sudan, some economic changes were introduced, taxes were reduced and some duties paid on goods before the incursion of the Turco-Egyptian forces were abolished. Land abandoned during the revolt against the invasion became cultivable again.

People who left the country were persuaded to return to their various villages and re-engage themselves in their former economic activities. The Blue and the White Nile facilitated economic activities in the Sudan. The Nile did not only serve as a source of water for domestic uses, it also served as a source of getting irrigation water for the farmlands, especially in the northern part of the country. Today, Sudan still faces formidable economic problems as a result of its seemingly intractable civil strife. Agriculture remains Sudan's most important sector, employing 80% of the workforce and contributing 39% of the gross domestic product (Wai, 1993).

However, most farms still depend on rain for adequate watering of crops and this has made such farms to be susceptible to drought. On the whole, it may be difficult to experience sustainable economic growth in the Sudan due to chronic instability resulting from the long civil war between the north and the southern part of the country, ethnic cleansing in Darfur, adverse weather, and unstable and low prices of agricultural products in the world market which contributed to ensuring that a greater part of the population continues to live below the poverty line.

Conclusion

This paper has given us an insight into the economic foundations of states located in the Nile Valley region. On the whole, we have seen that subsistence agriculture comprising farming and animal husbandry formed the mainstay of economic activities of these states. Furthermore, some rudimentary form of manufacturing also existed in virtually all the states. Trade and commerce also was another important feature of the economic activities of the people of this region. The barter system facilitated exchange before the introduction of modern currency as a medium of exchange.

The existence of slavery and slave trade in these states showed that their economies were not completely isolated from the world economy during the period under consideration. Furthermore, most of the economies could be safely classified as command economies due to excessive government intervention in economic activities. More significantly, the incursion of foreign powers into the states of the Nile Valley region marked a watershed in their economic activities and development. As from that period, western economic ideals and practices became a permanent feature of the states, while exploitation of natural resources by European firms became more noticeable. However, the various degrees of civil wars, ethnic cleansing, and factionalism that bedevilled some of the states, like Sudan, Eritrea and Somalia have made it impossible for sustainable economic activities to take place.

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