# SLAVERY AND'FREE' LABOUR

Critical comments on labour relations on wine and wheat farms in 18<sup>th</sup> century

Western Cape

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Work in progress – please, do not quote

#### INTRODUCTION

The transition from slavery to 'free' labour is a central theme inthe study agrarian change and transformation. Slave labour, it has been argued, is incompatible with capital-intensive activities and will naturally be a marginalised form of labour as societies are developing towards more distinct divisions of labour. The nature and dynamics of the transitions has been widely debated. At a general level, one can differ between those who highlight economic triggers (*sources*) and those who claim that slave systems on average were comparatively efficient forms of labour that collapsed mainly due to political factors (Engerman 1986). The transformation from a slave-economy to emancipation in the Cape Colony is often described as a case of the latter. The argument rest on the proposition that slavery in Cape provided a relative efficient form of labourandthat slavery formed the basis of agricultural growth throughout the 18th century. The decline of slavery was triggered by political decisions and settler farming faced increased difficulties to survive in the post-emancipation period.

This paper provides a tentative attempt to examine this narrative and critically reassess labour relations on wheat and wine farms in the 18th century Cape Colony (from

here referred to as Cape). The paper is an extension of the research proposal Natural Obstacles and Institutional Solutions to Agrarian Capitalism. It does not contain new empirical findings and it offers no coherent alternative analytical framework, although a few principal problems with the existing narratives will be discussed. One must also keep in mind that, though our knowledge of the general contours of the 18th and 19th centuries Cape economy has increased substantially the last two decades, we still know quite little '[...] about the precise dynamics of capital accumulation, about the maintenance of elite status, about regional variations, and specifically about the transmission of wealth and status over generations' (Dooling 2005: 149). In Feinstein's recent overview of the economic history of South Africa (2005), for example, only 15 pages are devoted to the 18th century Cape. The Cape history is thus to a large extent still an unexplored field of research and the arguments posed in this paper are thus very tentative and should be treated with caution.

The paper argues that we need to rethink the importance and efficiency of slavery in 18th century Cape. Although slavery was widespread and important, alternative labour arrangements presumable played an equal important role. Growth and decline of farming in 18th century Cape must therefore be understood in terms of multiple labourcontracts and their effects on rural accumulation. We propose that one should begin with acknowledging a generic dilemma of agricultural activities, namely the seasonal character of labour demands, which enlarge the gap between work and production time. The seasonal character of work depends on crops grown which determines both aggregate labour demands and type of contracts that are optimal. The level of the gap can change over time due to technological change, expansion of markets for agricultural output as well as new innovations regarding storage and marketing. This generic proposition must therefore be analysed in relation to the specific contextual factors.

In this paper, the context consist of a heterogeneous settler community cultivating wheat and wine for a relative small market (mainly passing ships and the urban market of Cape Town). No major technological breakthroughs seems to have occurred and farming methods remained fairly extensive, although very little research has been devoted to changes of farming practices among settlers in 18th century Cape. Costs of labour were

high and the total cost of production increased over time due to the stagnating prices for wheat and wine. In general terms, the settlers faced shortages of labour, including both imported slaves and domestic labour, especially in the latter half of the 18th century. All this meant that farmers' main concern was not the productivity of labour but to assure they had access to accurate number of workers. They were in need of labour that was easy to mobilise on a short-term basis during the peak season and at the same time keep the number of labourers employed or tied to the farm as low as possible during the slack season. There was a pay-off between these two demands and the average settler farmer therefore exploited different forms of labour contracts.

As already stressed, the arguments posed in the paper must be treated with caution and could be read as a first attempt to identify what is missing, both theoretically and empirically, for a proper assessment of 18th century settler farming. There are no data available in the secondary sources for the two most crucial factors; land sizes and input of non-slave labour. Without these data, any accounts on farming in 18th century Cape must be treated as more or less well informed guesstimates.

#### LABOUR AND FARMING

This paper is inspired by the Mann-Dickinson thesis of natural obstacles to rural capitalism (NOAC from here). The Mann-Dickinson thesis state that the feasibility of employing wage labourers is determined by the gap between production and working time in the agrarian production cycle. It is based on a basic premise from Marx writings, namely that the intervals when labour is not used in the production process create neither value nor surplus value. Thus, the more production time and labour time coincide, the greater the productivity and accumulation of capital. Mann and Dickinson use the notion of gaps between production and working time and argue that capitalist development progresses most rapidly in sectors where the gap can be minimized (Mann and Dickinson 1978). The gap differs depending on crops grown.

NOAC should not be understood in deterministic terms as some critics have argued (McLaughlin 1998). Rather, it provides a basic point of departure to structure our

understanding under which conditions capitalist relations of production in agriculture develops. In short, an analysis of rural labour relations must start by looking at the specific crops and its labour requirements. From there, one can move forward and look at specific contextual factors that affect the gap between work and production time. Mann points out five central contextual factors, namely technology, credit, price fluctuations, marketing processes (including storage) and markets (Mann 1990: 32ff).

A basic restriction of NOAC is that it presumes that wage labour per definition is the optimal choice due to its higher productivity. Mann writes that '[...] non-wage forms of production continue to exist, not because they are preferred avenues of capital accumulation, but because they are unavoidable features of the modern landscape' (Mann 1990: 33). This linear mode of thinking stands in contrast to economic-historical and historical research. Engerman, for example, writes with reference to America South that:

'[...] in the middle of the nineteenth century slavery in the Americas was, economically, not yet a decaying institution, inflexible and incapable of adapting to economic change, within those sectors in which it had its comparative (and absolute) advantages. Slave labor was responsible for much of the world's sugar cotton, coffee, and tobacco, and slave production of these crops greatly exceeded the production by nominally free labor' (Engerman 1986: 329).

Engerman further arguesthat it is difficult to identify cases of slavery declining economically prior to the imposition of emancipation (ibid. 330). On the contrary, many plantations found it difficult to survive the post-emancipation era, not only in Americas, but in Africa as well (ibid. 334). However, just as NOAC, Engerman's arguments are based on the assumption that it is the labour productivity that matters independently of the context. Austin, has argued in his seminal work on the economic-history of Asante that employers might not only strive at increasing the productivity of labour, but also develop strategies to increase the total labourforce independently of its' effects on the average labour productivity (2005: 402ff). This argument seems applicable in the Cape where the main concern for farmers waspresumable to bridge the gap between work and production time in a context of general labour shortages.

Furthermore, Austin's analysis of labour in Asante shows the importance of not only the aggregate demand of labour, but also the need of reflecting over '[...] how overall demand translated into demand for different kinds of labour, in sense of labour from different social and contractual categories' (Austin 2005: 402). This brings us back to the crops. It is not only the actual gap that is important to take into consideration, but also to what extent time is a scarce resource. 'Time is of essence' as Sara Berry remained us (1993: 181). The amount of time available to finish the agricultural tasks varies between crops and between climate zones. Scarcity of time makes it crucial for farmers to quickly mobilize enough number of labourers with the right skills. It implies that it was not only the actual gap between work and production time that determined the relative advantages of different labour contracts, but also to what extent labour arrangements allowed the employer to mobilize labour on a short-term basis. A basic contradiction is revealed when we combine timing with the notion of gaps between working and production time; slavery was advantageous for timing as slaves could easily be mobilized during the peak seasons and, at the same time, this flexibility was partly offset as farmers could not release the labour force during slack season.

Instead of understanding 18th century Cape as primarily slave-based economy, we must recognize how farmers depended upon a wide-range of labour contracts. The demands for different kinds of labour must be understood as bridging the inherent gap between labour and production time as well as ensure that enough labour (with the right skills) were mobilised during peak seasons.

## THE EMPIRICAL POINT OF DEPARTURE

The Cape was settled in 1652 by the Dutch East Indian Company (VOC – VerenigdeOostindischeCompagnie) as a refreshment stations for passing ships. The settlement soon expanded to the interior and a small but dispersed free settler society was established supplying the forth with primarily wheat, wine and cattle (Fourie and Fintel 2010: 3-4).

Wine and wheat farming dominated the economic activities of the Cape in the late 18th century. Most farmers were found in Cape district, Stellenbosch and Drakenstein in the south and southwestern Cape. In the interior, were low rainfalls prevented the growth of arable agriculture, settlement was both sparse and dispersed and farmers concentrated mainly on pastoral farming (Mason 2003: 16). Under Dutch Rule (1652-1808) wheat production grew steadily until the 1770s and wine production expanded after 1740 to peak in late 1780s. Parallel to these developments there was a constant expansion of parstoralism, especially on the eastern frontier of Cape (Iliffe 1999: 88). The level of commercialisation of the agrarian sector in the 18th century helped reproduce prosperous agrarian elite (the Cape gentry), although it did not lead to a monoculture plantation system supplying the metropolitan market, like West Indian sugar and Brazilian coffee (Worden 1985: 19). The settlers consisted of a fairly heterogeneous group, including absentee landlords who lived in Cape Town, resident landlords who were tied to production for the Cape Town market and an 'industrious class' who worked side-by-side with their labourers.<sup>1</sup>

Several historians acknowledge the widespread use of imported slavery among the Cape settlers. The slaves came from different geographical areas, including the Indonesian archipelago and India. However, a majority of the slaves had their origins on the African continent, mainly from East Africa. Differently from the plantation societies in United States and the Caribbean, slaveholding in the Cape was widespread and even poorer settlers in the interior commonly held slaves (Fourie and Fintel 2010: 4). By 1800, approximately 90 per cent of all farms in Cape owned slaves (Mason 2003: 25).

Table 1 shows that the number of slaves imported to the district increased steadily during the 18th century. Historians agree on the importance of slave labour for the Cape economy. Armstrong and Worden (1988) even suggest a strong positive correlation between slave ownership and yields of wine and wheat. This view is confirmed by earlier observers. Mentzel, an observant visitor to the Cape stated in the 1730s that '[...] the expansion of the colony demands an ever increasing number of slaves. Every farmer

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<sup>&</sup>lt;sup>1</sup>Dooling provides a number of examples that underscore the level of heterogenity among the settlers. In the mid-18th century, the value of settler farms varied from 68 Rixdollars to more than 6 000 Rixdollars (Dooling 2005: 150).

requires many more slaves than members of his own household to grow his crops and develop his land' (quoted in Worden 1985: 10).

16000 14000 12000 10000 8000 6000 4000 2000

1701 1711 1723 1733 1743 1753 1763 1773 1783 1793

Years

Table 1. Number of slaves in the Cape Colony, 1692-1793

Source: Worden (1985: 11)

In 1806 the Cape Colony became part of the British Empirewho had occupied the colony since 1795 as a strategic wartime base during the Napoleonic wars (Legassick and Ross 2010: 253). The mercantilist rule of VOC was replaced by the rising industrial power of Britain. In 1808, the British abolished international slave trade and in 1823 the domestic slave system was reformed. Slaves, if they were baptized, were given the right to form legal marriages and marriage unions were not allowed to be disrupted through sales. Children under 10 were not allowed to be sold away from the mothers. The most important reform was, however, that slaves were given the right to buy their freedom (Mason 2003: 48).In 1833 further steps were taken to prepare slaves for manumission. All slaves over 6 years old were obliged to serve their masters for another 6 years. During the period, slave owners had to pay for part of the slaves' work or allow the slaves to work for themselves a few hours per week. Finally, in December 1838, the abolition act was passed in the parliament turning all slaves into free men (Mason 2003: 58-59).

The farmers had, from the very start of the process, warned the colonial government about the consequences of emancipation (Mason 1991). The farmers' main concern was the effects the reform would have on labour supplies. Increased employment of wage labour was not – at least not officially – recognized by the farmers as a viable option. Instead, reduction in the supply of slaves, it was claimed, would lead to labour shortages and thus hamper the growth of agricultural output. A number of scholars confirm the concerns that farmers had expressed and argue that emancipation did put a lot of pressure on the settler farmers who faced difficulties in surviving the new order (Ross 1986, Dooling 2008, Feinstein 2005, Giliomee 2003, Scully 1990).

In short, the current dominant view among historians is that 18<sup>th</sup> century Cape was primarily a slave-based economy. The economic order was transformed in the early 19<sup>th</sup> century due to political factors. The emancipation of slaves made it difficult for the settler farmers to survive, which indicate how important slavery was for agricultural growth in the 18<sup>th</sup> century.

# FARMING AND SLAVERY IN THE 18<sup>TH</sup> CENTURY

Few would dispute the importance of slaves for farming in 18th century Cape. As revealed above, slavery was widespread and almost all settlers held at least one slave. Table 2 shows that the size of slaveholding differed between the districts. In Cape district, farms were generally larger and more market-oriented and farmers consequently employed a larger number of slaves. The higher figures for Cape are also explained by the urban population in Cape Town who held a large number of domestic slaves. The average farmer in Stellenbosch held a larger number of slaves than the farmers in Drakenstein. The main reason is that wine farming dominated in Stellenboch while a majority of settler farmers in Drakenstein were engaged in wheat farming. The number of slaves per farmer was generally higher on wine than wheat farms (Worden 1985: 26-27) indicating that the type of crops grown had a notable effect on labour arrangements (see further below).

25
20
Cape district

15

10
Stellenbosch

Drakenstein

Transphase

Years

Table 2: Mean holdings of adult male slaves by districts, 1705-1799/1800

Source: Worden (1985: 29).

The table also shows that, although the use of slavery was widespread, the number of slaves per farmer was at average low. By the mid 18th century, more than fifty percent of the farmers held less than 5 slaves and another 20 percent had between six and ten slaves. In 1716, 19 percent of the farmers in Cape held more than 10 adult males, by 1746 the proportion had increased to 25.9 percent and in 1770 the group constituted about a third of the total farming population (Dooling 2005: 150). Thus, the group of large slaveholders increased over time, but they remained a minority. The average low number of slaves indicates that we should reconsider the importance of slavery for growth of wheat and wine farming in 18th century Cape. However, both wine and wheat farming presumable required substantial amounts of labour, though not throughout the year, although we cannot make any accurate estimates since we lack information about landholding sizes.

The production of wheat required a heavy concentration of labour in the sowing and ploughing period as well as during harvesting and treshing. Sowing and ploughing normally took place in May and July (in cases where there was plenty of cattle, land was prepared with manuring in April). The ground was generally hard and either hilly or claysish and implied, according to Van Ryneveld in 1797 that; '[...] the utensils imported,

viz., spades, pichaxes, ploughs, ploughshares that are used in other countries, are not strong enough for, and of course no use to this Colony' (quoted in Worden 1985: 21). Ploughing was thus heavy work and required concentration of heavy field labour. The wheat was harvested in December to February and the duties had to be performed relatively quickly to avoid that the strong south-eastern winds would flatten a field of ripe corn (Worden 1985: 21). During harvesting, work normally began at dawn and continued until about 8.0 p.m., with a short break in the afternoon. Treshing was equally demanding plenty of labour and implied heavy work. At daybreak, the labourers spread the sheaves on the floor, which were then trampled by horses for a couple of hours led by a number of labourers with small whips. In the afternoon the grain was separated from the straw by winnowing with sieves. The straw was collected for fodder while the grain was bound into sacks and loaded in wagons or a barn on the farmstead (ibid. 21-22).

On wine farms there was a similar cycle of labour demand, though it was to some extent possible to coordinate with wheat production, which, at least theoretically, enabled farmers to engage in mixed farming. Between July and September, i.e. after the ploughing and weeding period on the wheat farms, the vines had to be pruned and cut and soils fertilized. Meanwhile, new vinestocks were planted in July and August. In October and November weeds were pulled out, stocks were propped and the soil was hoed. The tasks demanded a skilled workforce especially pruning. In January to February, labour demands were relatively low as the grapes were growing. The main task was to keep birds and stray animals out of the vineyards. The peak season came immediately after the grain harvest. The grapes were picked and pressed for wine-making. Picking of grapes began in late February and continued for about a month. The grapes were then pressed in September to November (Worden 1985: 22-23).

Both wine and wheat farming thus required a substantial amount of labour that could mobilized quite easily for shorter periods of time during the peak seasons. The use of slave labour could easily be mobilize, but it required that the farmer could afford to hold a large number of farmers throughout the year and/or that the slaves could be efficiently exploited during slack seasons. And as will be show below, the cost of slaves were comparatively high. Farmers who could not afford buying and maintaining a large

number of slaves had to either reduce the gap between work and production time, or find alternative sources of labour. The first strategy was employed by a number of larger landholders who turned to mixed farming. Research has also shown that mixed farming was common, at least in the first half of the 18th century. Armstrong and Worden claim:

Although there were fluctuations, depending on the success of the annual crop as well as the accuracy of census recording, it is apparent that farmers producing both wine and grain had the closes correlations, and hence were the most efficient in exploiting their slaves largely because they made more intensive use of them throughout the year' (quoted in Fourie and von Fintel 2010a: 239).

Mixed farming allowed farmers to reallocated slave labour between wine and wheat farms and thus keep the slaves busy almost throughout the agricultural season. It is not surprising that, as Worden shows, the correlation between number of slaves and agricultural output was highest for farmers that practiced mixed farming (Worden 1985: 30). Mixed farming reduced the gap between work and production time and hence enabled farmers to more efficiently exploit the labour force. However, this strategy was only optional for large-landowners who could afford to hold accurate number of slaves, i.e. the emerging class of 'gentry' farmers, who could own more than 40 slaves (Fourie and von Fintel 2010a: 239). Precise estimates are needed, but it is plausible to assume that these farmers were able to obtain higher returns of labour by distributing the capital cost and marketing expenses amongst a larger number of slaves. Worden's calculations support this view as he shows that use of slaves were most profitable on large-scale and commercial oriented farms (Worden 1985: 77).

## MULTIPLE CONTRACTS

If the average farmers did not have the means to buy (or maintain) an accurate number of slaves, what were then the alternatives? One was to reallocate the slaves from domestic to farm work. Anecdotal evidence shows that both wheat and wine farmers employed this strategy. Wheat farmers engaged both slave children and wives during harvest and female slaves commonly worked during peak seasonson the vineyards (Manson 2003: 129, Worden 1985: 21). Again, this strategy was only possible for farmers with relatively large slaveholdings. A more suitable alternative for less wealthy farmers was to hire slave labour from the large slave owners. This was a relative efficient strategy to meet the gap between working and production time. We know very little of how common this strategy was though Mason suggests that it happened regularly, especially between wine and wheat farms (Mason 2003: 128). Contemporary witnesses claimed that it was also quite profitable to lease slaves to other farmers, which indicate that supplies undercut demand (Worden 1985: 80). Strictly speaking, hired slaves could not be conceptualized as slave labour. Rather, these contracts were similar to hiring day labourers under short-term contracts. The advantage of the system, from the farmers' point of view, was that the transaction costs decreased. Less time had to spent on finding labourers with the right skills and instead of 'signing' a large number of contracts with each individual worker, the farmer only had to negotiate with the slave owner.

A third alternative developed in Cape after 1775, namely a system of indentured child labour. Children of slave men and Khoi-Khoi women were given food and lodging, but no pay by the slave owner. In exchange, the children (known as *inboekelinge*) had to provide their labour. The girls were normally used for domestic work, including everything from childcare, cooking and making butter and soap. The boys were usually employed in herding sheep and cattle (Feinstein 2005: 53). The system expanded most rapidly on the Cape frontier, but existed also on the wheat and wine farms in south and south Western Cape (*source*).

The presumable most common and most important alternative was to employ day labourers. The main source of day labourers came from the indigenous Khoi-Khoi and San (Khoesan). There are no accurate data for the number of Khoesan that was employed

in the 18th century since they were not included in the census returns. The first census that included Khoesanlabourers stems from 1806. It reveals that Khoesan accounted for about 30 percent of the total labour force in Stellenbosch and Drakenstein districts. For previous periods, we are forced to rely on scattered anecdotal evidence. The census also indicates, not at all surprisingly, that a majority of farmers used both Khoesanlabourers and slaves (54.2 percent, see Worden 1985: 35). Worden argues that the figures might indicate a higher percentage use of Khoesan than was normal in the 18th century because of increased shortages of slave labourin the late 18th century. On the other hand, one might suspect that farmers underreported the number of day labourers employed as part of a common strategy to avoid taxes (we know that farmers tended to underreport the size and magnitude of their farming enterprises, see Worden 1985: 24).

The very expansion of the Cape Colony in the late 17th century, from the Cape port to Stellenbosch and Drakenstein was followed by an increased demand for Khoesanlabour (Elphick and Malherbe 1989: 16). The Khoi-Khoi, who had experienced a rapid decline in their wealth, due to processes of primitive accumulation whereby VOC had killed large parts of the Khoi-Khoi cattle, were left with few opportunities than to seek employement on the farms (Elphick and Malherbe1989: 18 and Ross 2010: 199). Evidence suggests that Khosean were primarily hired as day-labourersduirng peak seasons, although a number of farmers had began to hire Khoesan on a permanent basis already in the late 17th century (Elphick and Malherbe 1989: 17). They were appreciated for their skills and easy learning. In 1695 Johannes Willem de Grevenbock referred to the Khoi-khoilabour in rather enthusiastically terms:

They train oxen for use in ploughing . . . and are found exceedingly quick at inspanning or outspanning or guiding a team. Some of them are very accomplished riders, and have learned to break horses and master them . . . They make trusty bearers, porters, carriers, postboys and couriers. They chop wood, mind the fire, work in the kitchen, prune vines, gather grapes, or work in the wine press industriously . . . Without relaxation they plough, sow and harrow (cited in Elphick and Malherbe 1989: 17).

The quote reveals that Khoesanlabourers where hired for a wide range of purposes and that they were able to move on the social ladder and became supervisors over working gangs. They were mostly paid in kind, like bread, tobacco, alcohol, milk and vegetables. Khoesanlabour presumable played a vital, though neglected, role for farming in 18the century Cape.

## SLAVE VS. WAGE LABOUR

In general terms, the relatively small average landholdings, the low fertility rates of slaves and the limited internal slave-market propose that the profitability of using slaves would be minimal. This is also partly confirmed by the fact that most of the slaves before 1740 were employed for skilled domestic work rather than unskilled farm labouring (Shell 1994). However, calculations made by Worden suggest that the profitability of using slaves were relatively high, even higher than in southern United States (Worden 1985: 65). Yet, lack of comprehensive sources only enables him measure the profitability of slaves on relative large scale wheat and wine farms on which the profitability of slaves were higher compared to the average farms (see above).

Non-slave labour is not included in the different estimates, which distort the figures considerable especially if we accept the argument that a majority of farmers did not only depend on slave labour. For example, figures indicate higherlevels of labourproductivity for slaves on wheat farms in Drakensteincompared to Cape and Stellenbosch. At the same time, wheat farmers in Drakensteinused fewer slaves and hire day-labourers(not included in the estimates) to a larger extent than the average farmers. A possible explanation for the higher land productivity levels on the wheat farms in Drakenstein could be a more efficient combination of different forms of labour employed by the farmers (Worden 1985: 14). This argument is in line with what have been proposed above, that the dynamics of Cape farming must analysed in the context of co-existing multiple labour contracts. Thus, available figures and historical sources do not unilaterally speaks in favour of slaves in regard to their productivity. At this stage, we cannot really say much about the productivity of different forms of labour in 18th century Cape.

However, productivity levels might have mattered less for farmers. The main concern might instead have been to ensure that enough labour was mobilised on a short-

term basis to work during peak seasons and that the number of labourers were kept low in the slack season.

What were the comparative advantages of slave vs. wage labour? The answer to that question first and foremost depends on the production processes for the two crops. As shown above, the average size of slaveholding was larger on wine than wheat farms. This makes sense in the light of the different gaps between working and production time. Precise estimates of labour demands are impossible to make, but from what we know about farming methods, it looks like the gap was larger for wheat than wine farms. Wheat farming required a substantial amount of labour for short-periods of time and the labour had to be mobilized at a fast rate. Mentzel (mentioned above) observed that wheat cultivation in Cape required more labour than in Europe and that the clayish and hilly soils required about three men for every plough drawn by six or twelve oxen, '[...] one to lead the team, another to drive it on, and a third to guide the plough' (Worden 1985: 24). Contemporary estimates indicated that about thirteen slaves were need to farm with three ploughs. Harvesting, as well, required a large number of labourers that had to be mobilised quickly before the onset of the south-eastern winds destroyed the corn standing (ibid.). Slavery, which could both be trained and mobilised at a quick rate could have been optimal if it was not for the high initial capital costs of acquiring slaves.

The seasonal fluctuations of labour demands on wine farms were less substantial. The most labouring tasks were picking (February) and pressing (September to November). Picking required skilled labour. In addition, workers could be kept busy from October to April, i.e. including the slack season (January – February) with digging the soil between the vines on order to aerate it and clear the undergrowth (Scully 1990: 53). It implied that the gap between work and production time was partly reduced and hence the recurrent costs of slaves. The need to employ skilled labourduring the peak seasons also spoke in favour of slavery (owned or leased from a slave-owner) or bondage labour since the transaction costs associated with finding skilled labour on the market presumable was high. In addition, Worden argues that the cost of controlling slaves' work was lower on wine than wheat farms as the workers could be concentrated in a smaller geographical area on the vineyards compared to the extensive wheat fields (Worden 1985: 26). All these

factors spoke in favour of slave labour and hence explain why the average slaveholdings were larger on wine than wheat farms.

It is difficult to compare the direct costs of hiring labour and buying slaves due to the lack of accurate data for the former. One proxy available is the data on wages paid to *knechts* (European labourers that were hired on a contract basis from the VOC) provided by Worden. He concludes that, by the end of the century, *knechts* were paid about 10 – 15 Rixdollars per annum in the mid of the 18th century and 20 – 25 Rixdollars annum by the end of the century (Worden 1985: 71). Information about price of slaves is much more accurate. Table 3 reveals a substantial increase in prices by the end of the century. By the mid of the century a slave cost about 200 Rixdollars and by the end of the century prices had increased to 350 Rixdollars. To this initial cost we have to include recurrent cost of keeping slaves. Historical sources reveal that it was only the large landholders that employed *knechts* and it seems plausible to assume that Khoseanlabour were paid less than *knechts*. Leaving the recurrent costs behind and only comparing for the more expensive white wage labourers, the comparison shows that a farmer could employ 20 *knechts* for one year or 2 *knecths* for 10 years at the same price as buying one slave. The cost of slavery was presumable quite high.

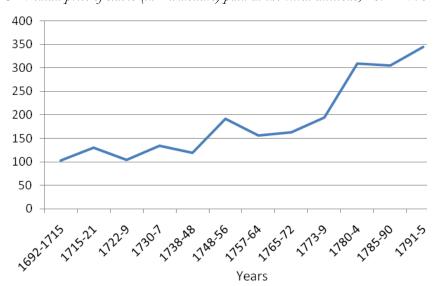


Table 3: Median price of slaves (in Rixdollars) paid at the rural auctions, 1692-1795

Source: Worden (1985: 74)

The increased price of slavery by the end of the century was reflecting shortages of slave labour. The slaves were reproducing itself by the last quarter of the 18th century, but not fast enough to satisfy the demands of the expanding population of slave owners (Shell 1994: 16). Farmers therefore continuously relied on imported slaves and the inflow of slaves could not keep up with the expansion in number of farmers. It also seems like Khoesanlabour was of short supply. We do not have any figures but farmers continuously complained about shortages of both slave and khoseanlabour, not only in the latter half of the 18th century. Already in 1744 wheat farmers on large landholdings stated that they were forced to limit the size of their crops because of lack of khoesanlabour. This is also supported by research that has shown that the process of primitive accumulation and the following breakdown of the Khosean societies led to a demographic collapse, which naturally had disastrous effects on labour supplies (Worden 1985: 82). Farmers also had to compete with VOC who emoployed a large number of khoesanlabour. The farmers often complained that VOC employed huge number of Khoseanlabourers, leading to a constant shortages of farming labour (Worden 1985: 36). The shortages of Khoseanlabour seems to have exaggerated in the last decades of the century. Throughout the 1790 there were increasingly strident complaints of labour shortages (Worden 1985: 33).

In short, it seems plausible to argue that the direct and recurrent costs of hiring slaves were higher than employing wage labourers. At the same time, it seems like the supplies of Khoesanlabourers were relatively low throughout the 18th century, which made it impossible, or at least very uncertain, for farmers to rely on day labourers only even if the direct costs presumable were lower.

Employment of Khoseanlabour was also associated with comparatively high indirect costs. A major disadvantageous of withKhoseanlaboures were the high costs associated with controlling free labour. The costs of labour control spoke in favour of using coercive measures. It is far from easy to draw a definite line between free and unfreelabour in the 18th century Cape. As stressed above, we know very little about non-slave labour relations in 18th century Cape, but we know a lot more about labour relations in the postemancipation period. The little information at hand suggests that the dividing line

between free and unfreelabour was not always straightforward. Khoseanlabour was in strict judicial terms recognised as free men with the right to report abuses to the court. In practice, it was not uncommon that they were treated very roughly by their Masters. They were beaten and it even happened that farmers killed their khoesan servants (Ross 2010: 207). Although, the latter was not sanctioned by the VOC-rule, the punishment the master would face was limited to confiscation and a period of banishment (Elphick and Malherbe 1989: 18).

Additionally, research from the post-emancipation period reveals how farmers used several different systems to tie free labour to the farms. It was not uncommon farmers used advance systems which ensnared a labour in debt in order to ensure his/her presence on the farm during the peak seasons. The advances were offered to the labourers by the end of the harvest season in order to guarantee a labour supply the following October. In a few cases, systems of tied rent were also used, especially by the wealthier farmers who complemented wage payments with a smaller plot of land (Scully 1990: 54). Given the labour shortages faced by farmers, it seems plausible to argue that similar systems might have existed already in the 18th century. However, this must be investigated.

What we do know is that *Inboekstelsel*that were legally recognized in 1775 (see above) existed was practiced in the early years of the 18th century. It happened that children born from slave women were registered as slaves, clearly indicating that labour contracts were fluid and not easily identified (Shell 1994: 32). At the same time, the system of *Inboekstelsel* formed a specific form of bondage. Shell writes;

De facto rights over a person's bonded labor period could be inherited or transferred along with property on which people resided. *Inboekstelsel* originated, in other words, as a form of cadastral slavery or, more properly, serfdom(Shell 1994: 32).

There are two points to be made here. First, the fact that *Inboekstelsel*existed as a practice throughout the 18<sup>th</sup> century (we do not know how common it was) might indicate that bonded labour were regarded as relative advantageous compared to free labour. As argued above, bonded labour reduced costs of control at the same time as this form of labour

could easily be mobilized during the peak seasons. More important, although it seems unlikely that it was a deliberate strategy, the practice of *Inboekstelsel* shows how employment of free female labour also gave access to bonded labour, which reveal the interdependence between 'free' and 'non-free' labour.

To summarise, it looks like neither slave nor free labour was an optimal choice for the average settler farmer. Slaves were expensive and capital scarce farmers could not afford to keep enough number of slaves to cover for the demands during the peak seasons. Especially since the slave labour did not reproduce itself fast enough to satisfy the needs of an expanding wine and wheat sector (Scully 1994: 16). On the other hand, supplies of Khoseanlabour was presumable low, supplies unpredictable, cost of control high and the transactions cost relatively high. The solution, for the average farmer, was thus to employ multiple form of labour, including slave and free labour.

## LABOUR, MERCANTILISM AND CAPITAL

The geographical location of the Cape was of major disadvantage for the settlers in Cape. The distance to the major world market, i.e. Europe increased the cost of Cape exports and the Europeans were reluctant to allow Cape wheat farmers to compete with the producers in Europe. Their interest in Cape wine was also limited, since the wine produced in Cape was regarded as of very low quality. Ross states: 'Indeed, the major argument with regard to these farmers has not been that they did not want the market, but that the market did not want them' (Ross 1986: 61). Figures from early 19th century, when the wine exports boomed because of the introduction of preferential tariffs by the new colonial power – Great Britain – reveal that Cape exports accounted for only 0.1 percent of Britain's total import. The value of the export was not more than £, 40 000 (Feinstein 2005: 30).

The slave system in 18th Cape co-existed with the mercantilist regime of VOC. Free trade was prohibited and all production had to be sold at fixed prices to the company (Fourie and von Fintel 2010: 4). The par of the output that was not sold directly to VOC was sold on the local markets, normally through auction floors. Table 4a and 4b reveals

that fixed prices for both wine and what remained more or less constant during the 18th century, which *de facto* meant that the cost of production increased quite dramatically for the period as prices of slaves increased (see above).

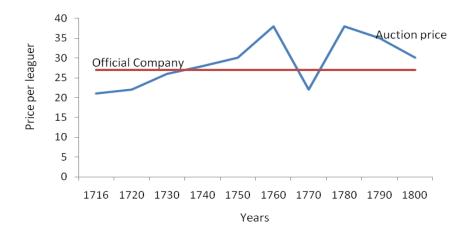
Farmers were provided with the alternative to sell to the auction floors. However, for wheat farmers it was first by the end of the decade that prices were higher than the official price. The situation was different for wine. Prices obtained on the auctions were higher than the fixed price in 1740-1770 and 1780-1800 (see Worden 1985: 69). The quantities of wine sold on the auction floors were small and for both wine and wheat farmers. The profits generated from farming thus decreased over time as labour costs increased and the system of fixed prices efficiently prevented sustained long-term capital accumulation.



Table 4a: Average price of wheat (per mud) 1716-1800 (in Roxdollars)

Source: Worden (1985: 69)

Table 4b: Average price of white wine (per leaguer) 1716-1800 (in Roxdollars)



Source: Worden (1985: 69)

The system of fixed prices was, as one could expect, disliked by both farmers, who witnessed their production costs increase for every year and merchants whose enterprises were heavily regulated by VOC. Both groups opposed the systemand often loudly agitated against it. In 1770, 400 settlers, mainly consisting of private merchants and richer farmers from Western Cape, signed a petition that was sent to Heren XVII. The settlers demanded the end of VOC control over trade and exports in Cape and they wanted permission to run their own shipping in order to increase their control over agricultural exports as well as imports of slaves (Ross 2010: 207-208). The growth of Cape gentry clearly stood in opposition to the mercantilist policies of the VOC. The struggle of control over markets revealed the rise of a new class of merchants and farmers that relied on exploitation of pre-capitalist forms of labour. The policy of fixed prices prevented a sustained growth even among large landholders.

An indication of the low levels of capital accumulation was farmers' dependence on credit in order to purchase slaves. Credit played an important role for farmers, especially in the early years of farming as the settlers needed capital to invest in slave-labour. Credit dependence must also have increased in the latter part of the century as the prices of slaves (and probably also Khoesan) labour increased (this view is supported by Worden although no estimates are presented 1985: 78). Until 1790 the provision of credit was largely in private hands, mainly from officials working for VOC (Ross 1986: 69). We have no details on credits and debts on individual farms, but the fact many quite prosperous

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wine farmers went bankrupt when the local wine boom burst in the 1820s and the heavy mortgages on the farms that survives might be taken as an indicator of high levels of credit dependency among settler farmers in the Cape were (Ross 1986: 69).

Mercantilism rule under VOC had, except from preventing long-term accumulation, two effects on labour relations in Cape. First, fixed prices implied that fluctuations were avoided, which in a sense acted in favour of slave laboring as farmers could make quite certain calculations on future profits, although weather conditions continued to make farming a highly unreliable enterprise. On the other hand, low levels of profit and increased prices of inputs hampered farmers' possibilities to expand agriculture by employing a larger number of slaves. Consequently, the importance of multiple labour contracts must have been significant, especially in the latter half of the 18th century.

#### CONCLUDING REMARKS

Forthcoming

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