

**SURVEY OF
BRITISH COMMONWEALTH
AFFAIRS**

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SURVEY OF
BRITISH COMMONWEALTH
AFFAIRS

VOLUME II
PROBLEMS OF ECONOMIC POLICY
1918—1939
PART 2

BY

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To some of them I owe an apology. It has been difficult during the past year to find time for writing, and I have actually lost notes and criticisms which were submitted by some readers of my first draft. I have remembered and used what I could; but under present circumstances I felt unable to delay the work of preparing these chapters for the Press. I must apologize to my readers if I have not everywhere smoothed away the marks of haste.

W. K. HANCOCK

1st May 1941

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THE ARGUMENT

THE 'frontiers' whose evolution is examined in this volume are not the fixed boundaries which divide the jurisdictions of separate independent governments; they are the moving fringes of an expansionist society. This conception of a moving frontier is of American origin: we analysed it and made use of it in some chapters which have already been published.¹ We there described the types of economic activity which throughout many centuries of European history have stimulated the expansion of commerce and population, expressing themselves overseas in the 'traders' frontier, and the 'settlers' frontier'. We also described other types and sub-types of economic activity and the overseas frontiers appropriate to them. But we did not suggest that the economic impulse was the sole cause and expression of European expansion. We remembered the strategical and military necessities of the separate power centres which exist in a divided Europe, and recognized their operation in the projection overseas of imperial sovereignties and fixed territorial frontiers. We remembered also the common intellectual habits and spiritual aspirations of an ideally united Europe, and recognized their operation in the advancing 'missionaries' frontier'.² Even when we were laying heavy emphasis on the economic aspects of our study—aspects which usually have been too much neglected—we endeavoured to relate them to the political and ideological forces which are no less a part of historical reality.

In the chapters now published we start from economics but move steadily towards politics. Or (to put the matter in another way) we work with patient concentration through the economic material, but constantly seek in that material the answer to political questions. We do so in fulfilment of promises which were made earlier in this book.³ Very high claims have been made for British colonial rule: those who exercise it and justify it declare that it is not selfish domination, but a 'sacred trust' performed for the benefit of immature peoples. Very serious accusations have also been levelled against it: the Marxists affirm (to be sure, they affirm the same of all other empires) that it is naked exploitation. In the chapter devoted to British West Africa we move soberly and methodically through

¹ See vol. ii, part i, especially chapter i.

² *Ibid.*, chapter i, section iii.

³ See vol. i, chapter vii and vol. ii, part i, pp. 4-28.

the facts of economic history and present-day economic organization. When our study is finished, we shall have plenty of evidence by which the claims and accusations may be tested.

In the chapter devoted to the Union of South Africa and its neighbours the emphasis is naturally different. It is not the policy of a distant imperial power, but the policy of a resident and autonomous European democracy, which dominates the scene. This European democracy rules over subjects many times more numerous than itself, who differ from it in colour, civilization, and status. What are the foundations and the purposes of its rule? What principle governs the development of this multi-racial society? Once again, we have to consider high claims and severe accusations. The claims are contained in the theory of the British Commonwealth, to which successive South African statesmen have subscribed¹—the theory of racial reconciliation through a deepening tolerance and a broadening freedom, which will unite all the peoples and languages of the Commonwealth in active and free collaboration, in proportion as they prove capable of growing to the measure of their opportunity. This principle has governed the relationship of French and British in Canada: it has also (though not without strain) governed the relationship of Afrikaans-speaking and English-speaking South Africans. But is it powerful enough to mould other racial relationships in South Africa? In an earlier chapter we examined the relationship between Europeans and Indians on South African soil, and found it difficult to state with certainty the ends to which policy and law were moving.² Sometimes it seemed that the movement was towards 'equal rights for diverse communities': sometimes it seemed that a society of racial castes was more likely to emerge. We engaged ourselves then to test the matter further by examining the policy pursued by the governing Europeans towards other racial communities, notably the Cape Coloured and the Bantu. And we promised to use economic material for our testing. This is how the chapter on South Africa and her neighbours has taken shape. The chapter does not exhaust all matters of interest in an economic survey, nor does it exhaust all matters of interest in a survey of race relations. It attempts to cover the ground where these two topics converge.

There are other themes which recurred frequently in earlier chapters and will recur in the present ones. There is, for example, the long debate between imperial self-sufficiency and 'The Great Commercial Republic', between the idea of a sheltered market enclosed within

¹ See vol. i, pp. 1, 58, 168, 271.

² See vol. i, chapter iv.

the frontiers of sovereignty and the idea of world economic collaboration. In our survey of the economic problems of Great Britain and the Pacific Dominions, we occupied ourselves very closely with this debate.¹ We shall be bound to examine it further in its African context. Once again there is a claim which must be tested: Great Britain's mandate in Africa is said to be a 'dual' one: her trusteeship is said to be exercised, not only on behalf of the African peoples, but for 'the commerce of the world'. Can this claim be substantiated? In answering this question, we shall have to consider, not merely the intentions of policy, but the instruments which it is compelled to employ at a time when nineteenth-century conceptions of the nature of world commerce have obviously ceased to fit the facts.

All these separate problems are set within a larger problem. We stated it in the preface to our first volume in the form of a quotation from Sir Eyre Crowe. A maritime empire, Sir Eyre Crowe said, can exercise such formidable power that it is bound to provoke against itself a coalition of the world, unless it succeeds in harmonizing its own special interests with those of the other nations, or the great majority of other nations. He claimed that the British Empire had achieved this 'harmonization', partly by its policy of national freedom, which it pursued both within its own boundaries and outside them; partly by its policy of economic freedom, which forestalled the envy which the Empire would have aroused had it attempted to draw exclusive profits from its great possessions. Can these claims be sustained for the period which we are studying, those twenty-one years of economic crisis and uneasy peace which followed the armistice of November 1918? The problem of the Commonwealth's freedom merges into the problem of the world's freedom: the problem of reconciling the Commonwealth's interests with those of a wider world order is always in the background of our thought.

Nevertheless, the argument of this book must sometimes wander very far from these great questions. As we work upon the material which lies before us other questions which we do not anticipate will present themselves and demand answers. Our argument will not always run on the preconceived tracks: sometimes it may prove to be most interesting when it runs off them. This was our experience in the chapters dealing with the economic policies of the Dominions. There we found ourselves becoming unexpectedly absorbed in questions of population, of capital movements, of market price and 'just

¹ See vol. ii, part i, chapter i, sections ii and iii; chapter ii, section i; chapter iii, sections iii and iv.

price'. Similarly, in these African chapters, we may find ourselves becoming equally absorbed in problems of agricultural change and soil conservation, in problems which arise from the impact of European technique upon African art, or in other problems which we do not as yet envisage.

CHAPTER I
EVOLUTION OF THE SETTLERS' FRONTIER
SOUTHERN AFRICA

I

THE PROFESSED ENDS OF POLICY

By the year 1936, which was a census year, the white population of the Union of South Africa had reached the two million mark. In the same year the white population of other African territories within the system of the British Commonwealth was, in round figures, as follows: South West Africa, 31,000; Southern Rhodesia, 56,000; Northern Rhodesia, 10,000; Nyasaland, 2,000; Tanganyika, 10,000; Kenya, 18,000. In Kenya the ratio of the European to the non-European population was roughly 1 to 200; in Nyasaland 1 to 880; in Northern Rhodesia 1 to 130; in Southern Rhodesia 1 to 20; in South West Africa 1 to 10; in South Africa 1 to 4.¹ South Africa was the only African territory south of the Sahara where the thinly held frontier of European settlement might be said to have evolved into a deeply-rooted European society.

South African policy will be our chief inquiry in this chapter. But does not the inquiry infringe the rights of South Africa as a sovereign State? Do race relations within the Union properly form a part of 'British Commonwealth Affairs'? Are they not rather a matter of domestic jurisdiction? Such protests, should they be offered (but this is hardly likely), could not be sustained. The South Africans themselves have been the first to insist that their racial policy is not merely a South African concern, but that its influence extends, and is willed by them to extend, as far as the frontier of Abyssinia. General Smuts has proclaimed that it is his country's mission to establish European civilization along the 'broad backbone' of Africa, extending from the Union through the Rhodesias to Kenya. The fulfilment of this mission, he has declared, represents 'the most critical step in the evolution of our Commonwealth of Nations'.² Mr. Oswald Pirow, formerly a pillar of the Hertzog government, has repeatedly asserted that

¹ See Hailey, *An African Survey* (Oxford, 1938), ch. iv, Population Statistics, Some of the ratios quoted above follow rough estimates in Cmd. 3234 of 1929, pp. 32, 35, and Cmd. 5949 of 1939, p. 3. The South African census figures for 1936 are, in round numbers: Europeans, 2 millions; Bantu, 6½ millions; Coloured, 768,000; Indians, 220,000.

² Smuts, *Africa and Some World Problems* (Oxford, 1930), pp. 56, 64, &c.

South Africa's sphere of interest in Africa includes all the 'potential white areas'—by which he means the whole of Africa south of the Equator, and in addition Uganda and Kenya, which lie north of the Equator. Mr. G. Heaton Nicholls, a leading personality on the Union's Native Affairs Commission, has similarly defined South Africa's sphere of influence. On the 16th November 1938 he told a distinguished parliamentary audience in Westminster Hall that it was impossible to say where the Union of South Africa began or ended. It certainly did not begin or end with its political boundaries. Kenya was an extension of the Union. From Capetown to the borders of Abyssinia, African life must be fashioned in one mould only—the South African mould.¹

What is this South African mould? What is the end which governs the evolution of South African policy? Mr. Pirow flatly declares that it is in direct conflict with the end which Great Britain has proclaimed: Great Britain stands for the paramountcy of Native interests, but South Africa stands for the paramountcy of European civilization.² Mr. Heaton Nicholls, however, denies that any conflict of principle exists. For has not South Africa, like Great Britain, accepted 'the philosophy of trusteeship'? Has she not, by the legislation which culminated in the great Acts of 1936, committed herself to a policy 'in consonance with the groping spirit of the age, manifest in the mandates of the League of Nations, and in the declarations on Native African policy by the British government'?³

Unfortunately, the groping spirit of the age is difficult to define with precision, and the philosophy of trusteeship is susceptible of diverse interpretations. Are the British and South African interpretations identical? In 1923, in the famous White Paper entitled *Indians in Kenya*,⁴ the British government declared: 'Primarily, Kenya is an African territory, and His Majesty's Government think it necessary definitely to record their considered opinion that the interests of the

¹ G. Heaton Nicholls, *Some Urgent African Problems* (Empire Parliamentary Association, 16th November 1938); also the *Johannesburg Daily Express*, 13th February 1939, giving the speaker's summary of his address.

² See, e.g., Hon. Oswald Pirow, 'How far is the Union interested in the Continent of Africa?', in *Journal of the Royal African Society*, July 1937, p. 318: 'Unless the white man can put the relationship between himself and the negro on such a footing that the requirements of European civilisation are and remain paramount, the idea of a large permanent white population in Southern Africa is an illusion.' Hence the Union rejects 'assimilation' and asserts 'differentiation', which recognizes the white man's obligation to assist the black man to develop to the fullest along his own lines, 'but which definitely once and for all denies the negro social and political equality with the European'.

³ *Report of the Native Affairs Commission for the Year 1936*, U.G. No. 48, 1937, paras. 2, 7, 10.

⁴ Cmd. 1922 of 1923.

African natives must be paramount, and that if and when those interests and the interests of the immigrant races should conflict, the former should prevail.' Do Mr. Heaton Nicholls and the Native Affairs Commission of South Africa similarly affirm the paramountcy of Native interests throughout the Union? They assert something very different—'the paramountcy of Native interests in Native areas, and the paramountcy of European interests in European areas'.¹ This division of South Africa into 'areas' is qualified by the indivisibility of sovereignty which resides in the South African legislature; the formula therefore safeguards 'the permanent political supremacy of the European',² and leaves the European free to define for all time (or, if he so decides, from time to time) what his own 'area' and that of the Native are to be. Is this trusteeship? The Native Affairs Commission affirms that it is. Trusteeship, the Commission declares, expresses itself through the white man's policy of segregation.³

Segregation, as we shall see later on, has been the crux of South Africa's Native policy during the past generation. We shall not attempt to pronounce in advance upon its merits and demerits: we shall instead coolly examine its historical origins, the progress which it has achieved, and the frustrations which have impeded its progress. These are the realities which concern us. But we must first clear a path through the entanglement of words and phrases. Do segregation and trusteeship really mean more or less the same thing?

Let us recall the traditional doctrine of the British Empire on the subject of race. This is not a difficult task; the doctrine has been affirmed at successive imperial conferences in terms which are unambiguous and emphatic. 'We ask you to bear in mind', said Joseph Chamberlain at the Conference of 1898, 'the traditions of the Empire, which makes no distinction in favour of, or against, race or colour.'⁴ At the Conference of 1921 Mr. Churchill declared: 'I think there is only one ideal that the British Empire can set before itself in this regard, and that is that there should be no barrier of race, colour, or creed which should prevent any man of merit from reaching any station if he is fitted for it.'⁵ So far as the responsibility of the British government extends, this is still the accepted imperial doctrine. It is

¹ U.G. No. 48, 1937, para. 20.

² Nicholls, *op. cit.*, p. 6.

³ U.G. No. 48, 1937, para. 1: 'With the policy of segregation South Africa has accepted the principle of Trusteeship of the Native races.' W. P. Schreiner had used the word trusteeship nearly thirty years earlier, and identified it with the very opposite of segregation, i.e. with a non-racial standard of franchise and other rights. See E. Walker, *The Cape Native Franchise* (Capetown, 1936), p. 12.

⁴ C. 8596 of 1897, p. 12.

⁵ Cmd. 1474 of 1921, p. 39 (and see Cd. 3523 of 1911, p. 315, for a similar statement by Mr. Asquith).

impossible to accept the contention that 'trusteeship' and 'indirect rule' in British West Africa or British East Africa are intended, like 'the political recognition of race'¹ in South Africa, to invalidate for all time the claim of Native persons to qualify for the exercise of full and equal citizen-rights in a self-governing community. Admittedly, these doctrines and techniques are based on an assumption that the time is not yet ripe; and frequently they are accompanied by a doubt whether the political and legal forms which one day will express the maturity of these Native communities will conform to the traditional European models. Nevertheless, European trusteeship does not presuppose its own eternal perpetuation. The end which is professed—we need not yet inquire whether it is resolutely and sincerely pursued—is the full civic and political development of Native populations, in the light of the principle of human equality.²

Both Mr. Chamberlain in 1898, and Mr. Churchill in 1921, admitted that there were obstacles which impeded the movement of policy towards this end; both of them were willing to make allowances for circumstances. In 1921, as in 1898, the obstacles and circumstances arose out of the demands of European communities overseas. The racial policy of the old sovereign Empire was being challenged by the racial policy of the new self-governing communities which were transforming the Empire into a many-centred confederation. The strength of this challenge varied with the circumstances. Some of the smaller settler-communities overseas failed to make good their claims to power; these communities were able from time to time to deflect the course of imperial policy, but they were unable to achieve its complete reversal.³ Other communities, which did secure complete national autonomy, found themselves able to adjust their policy to the imperial tradition. The New Zealanders, for example, learnt how to

¹ Nicholls, *op. cit.*, pp. 6, 7.

² Cmd. 5949 of 1939, paras. 380-2, contains the most recent summary of the various imperial pronouncements defining the principles of Native policy (particularly the principle of paramountcy of Native interests, now interpreted to mean that 'the interests of the overwhelming majority of the indigenous population should not be subordinated to those of a minority belonging to another race, however important in itself'). On the method of approaching Native association in colonial self-government, see *ibid.*, para. 491.

³ e.g. in Kenya, the paramountcy of Native interests affirmed in Cmd. 1922 of 1923 appeared to be whittled away by the dual policy affirmed in Cmd. 2904 of 1927; but the original policy was reaffirmed (following the Hilton Young report) in Cmd. 3573 of 1930. The report of the Joint Select Committee (H.C. Paper No. 156 of 1931) brought some steadiness after these oscillations. Policy in Kenya was dealt with from the Indian angle in this *Survey*, vol. i, chapter iv. In the present volume attention will be concentrated on less distant 'extensions' of South Africa. There is a good survey of Kenya by M. R. Dilley, *British Policy in Kenya Colony* (New York, 1937).

practise the doctrine of racial equality within their own borders, and expressed their policy of immigration restriction in a legislative form which at least in theory was consistent with the imperial tradition.¹ But the situation of South Africa was quite different. The further she advanced towards full national sovereignty, the further did her racial policy diverge from the traditional British doctrine. Mr. Pirow may possibly exaggerate the extent of the divergence; but he is nearer to the truth than Mr. Nicholls, who seeks wistfully but vainly to prove the identity of South African and British principle.

The development of a separate South African racial policy can be regarded from three points of view. It can be looked upon as the progressive 'elimination of the imperial factor', or as a victory of the northern provinces over the liberal Cape, or as the outcome of an inner struggle which was, and is, being fought everywhere in South Africa—not merely *between* north and south or *between* Britons and Boers, but *inside* the four provinces and *inside* the two European communities.

Each of these three points of view has something to contribute to the understanding of the problem. It is, in the first place, certain that the liberal doctrine of racial equality was originally imposed on the South African community by the imperial authority. This is true in fact, if not in form, of Ordinance 50 of 1828, which made 'Hottentots and other free people of colour' equal before the law with Europeans.² It is true of the emancipation of the slaves by act of the British parliament in 1833. And it is true of the 'colour-blind' franchise established by the constitution of 1853. At the time when British authority at the Cape was laying these foundations for a non-racial definition of 'civilization', its immediate concern was chiefly with that mixed population known as the Cape Coloured people; the Bantu were still a frontier problem.³ But when it pushed the frontiers of Cape Colony eastward to the Kei river, it made no modification in the principle of equality before the law, and by the constitution of 1853 it enabled Natives, no less than Europeans or the Cape Coloured people, to qualify for the franchise.

The waning power of this imperial liberalism became apparent early in the twentieth century. We may illustrate its decline by considering

¹ On the Maori see this *Survey*, vol. ii, part i, chapter i, section iii; for immigration exclusion as it affects India, vol. i, chapter iv.

² See J. S. Marais, *The Cape Coloured People* (Longmans, 1939), pp. 155, 156.

³ Almost contemporaneously with the famous Ordinance 50, provision was for the first time made to facilitate the entry of Bantu in order to relieve the scarcity of labour (Ordinance 49 of 1828). The Bantu is no more indigenous to South Africa than the white man: both are immigrants.

the situation of the Cape Coloured people. By long tradition the British government had been particularly insistent upon their rights. On the eve of the Anglo-Boer war it had made the disabilities inflicted upon them one of its grievances against the Transvaal, and during the war it insisted that a rectification of these grievances must be one of the conditions of peace.¹ Having won the war, it shuffled out of its engagements. To appease the majority of Europeans (English-speaking as well as Afrikaans-speaking) it swallowed the fine words which it had uttered on behalf of the Coloured people, and on behalf of the Indians. Under the constitutions accorded to the Transvaal and the Orange Free State the franchise was restricted to Europeans; the Coloured people remained 'in the position in which they stood before the war'.² This was the turning-point. When the time came for the formation of the Union, the price to be paid for appeasement and unity had already begun to rise, and the Coloured people in Cape Province had already to share the payment of it. As citizens of Cape Colony they could qualify both for the vote and for a seat in parliament; as citizens of the Union they were given the former right only. The Act of Union provided that the franchises of all four provinces should stand as they were until altered by the Union parliament, and also provided that an alteration of the Cape's 'colour-blind' franchise could only be affected by a two-thirds majority of both houses voting together. British statesmen expressed their conviction that this alteration would never be made.³ But they had divested themselves of the moral power to prevent the alteration from being made.⁴ In substance, the Act of Union marks the final 'elimination of the imperial factor' from the history of racial policy in South Africa.

The rejection of the principle that civil and political rights are not to be determined by colour may also be regarded as a victory of the northern provinces over the Cape. The doctrine of human equality, applied sometimes with doctrinaire indifference to local circumstances, was one of the causes of that protesting exodus, the Great Trek. The classic affirmation of the Voortrekker doctrine of race

¹ See Marais, *op. cit.*, pp. 276-7, for emphatic statements by Chamberlain and Milner.

² Marais, *op. cit.*, pp. 277-8. I have given the facts about the promises to the Indians and the evasion of them in vol. i, chapter iv, section ii.

³ Lord Crewe said in the House of Lords: 'Disfranchisement is always an odious thing in itself, and if it were to be applied in this particular manner, I am bound to say that it would assume a somewhat specially odious form. Consequently I myself refuse to believe that there is any probability that this particular provision will be carried into effect' (E. Walker, *The Cape Native Franchise*, p. 14).

⁴ Sections 65-6 of the Act of Union, dealing with the veto power, might possibly be quoted as evidence that they retained the *legal* power.

relations is contained in article 9 of the Transvaal *Grondwet* of 1858: 'The people will admit no equality between the white and the Coloured inhabitants, neither in Church nor State.' But, while the northern republics were thus affirming their own way of life, the people of Cape Colony were adapting themselves to the novel principles which the British government had imposed upon them. In the end, the political leaders of Cape Colony made those principles their own. The imperial tradition became the Cape tradition. When in 1872 Cape Colony achieved responsible government, it was ready even to take pride in its own liberal ordering of society—in its ability to do without pass laws, in its recognition of equal opportunity for men of all races both in the political and the economic sphere.¹ Some citizens of the Cape looked forward to a day when their liberal spirit would permeate all South Africa and advance even beyond South Africa: Rhodes affirmed that the non-racial conception of civilization was valid for the whole area south of the Zambesi. But Rhodes, by his impatience, wrecked the partnership of Cape British and Cape Dutch. The Jameson Raid destroyed that unity of purpose by which alone the liberal Cape could prevail against the north. When the Union of South Africa was made, Cape liberalism was already on the defensive. Inside the Convention and outside it men like Lord De Villiers and Jan Hofmeyr struggled manfully; but the formation of the Union signified for their conception of civilization the giving of ground, not the gaining of it. They compromised; in the belief that the balance of forces would shift, later on, in favour of their liberalism. But W. P. Schreiner refused to compromise; he foreboded the victory of the north.

'To-day', a Cape historian wrote in 1939, 'the question is not whether it will be possible to extend the Cape's institutions northward, but how much support the Cape tradition still retains in the Cape itself'.² The conflict of principle in South Africa is not simply a conflict between provinces; it never was entirely that. There were divisions within the separate constitutional areas, divisions within the separate linguistic communities, divisions within men's minds. It must be admitted that there was more singleness and intensity of

¹ Political opportunity and economic opportunity were connected with each other. This was made clear after the Union, when the Act of 1913 depriving Natives of the right of buying land outside certain 'scheduled areas' was held by the courts to be inapplicable to the Cape Province, on the ground that the Act laid it down that nobody could be prevented from obtaining the qualifications necessary for registration as a parliamentary voter. There were other substantial economic opportunities which belonged to qualified Native voters in Cape Province—e.g. full rights in mineral prospecting and digging. (See *Report of Native Economic Commission*, U.G. 22, 1932, para, 864.)

² Marais, *op. cit.*, p: 284.

purpose among those who believed in the inequality of men than in those who professed the ideal of equality. The former insisted upon inequality here and now; many of the latter affirmed the principle of equality with the proviso that its serious practice must be indefinitely postponed. Natal had a 'civilization' franchise, but took pains to prevent Natives and Indians from qualifying for it; between 1875 and 1905 three Natives only qualified. The Cape parliament itself in 1892 imposed higher financial qualifications and an education test, because it feared that under the existing law too many Natives would soon be qualifying.¹ In 1929—three-quarters of a century after the institution of the colour-blind franchise—there were only 15,780 Native voters in the Cape Province.² And there were liberals who boasted of this! One of the most frequent arguments by which the defenders of the Cape franchise sought to ward off the attacks of its enemies was the argument that the franchise made no difference—and presumably would never be permitted to make any difference—to the political supremacy of the white population. A liberalism so lacking in self-confidence could not inspire a strong fighting spirit: in substance it had capitulated to its enemies before the battle opened.

The liberals' loss of confidence was in large measure the product of honest doubt. We can best understand how the doubt arose if we look at South African experience from the missionary angle. In South Africa, as in New Zealand,³ it was the missionaries who challenged the settlers' conception of racial relationships; it was missionary opinion which was embodied in Ordinance No. 50 of 1828 and in the later legislative expressions of the doctrine of human equality. Or, rather, it was a section of missionary opinion which turned this doctrine into a policy; the Moravian missionaries limited their labours to pious instruction and practical good works, and there were many in the L.M.S. who took no part in Dr. Philip's political crusades. Dr. Philip himself had tempered his aspirations for complete human equality with a realization that the weaker peoples of South Africa were not as yet able to face all the dangers which equality must bring. 'I hope the day will arrive', he wrote, 'when Hottentot institutions will be unknown in the Colony, and unnecessary, when the magical power of caste will be broken and all classes of the inhabitants blended

¹ The qualifications were (a) ability to write name, address, and occupation, and (b) either occupation of property, value £75, for not less than twelve months prior to registration, or wage at £50 per annum earned for not less than twelve months prior to registration, with a break of not more than one month.

² I. Evans, *Native Policy in Southern Africa* (Cambridge, 1934), p. 156.

³ See this *Survey*, vol. ii, part i, chapter i, section iii.

into one community.’¹ In the meantime, ‘Hottentot institutions’ were undeniably necessary. These ‘institutions’ represented what may be called a policy of protective segregation; they were the means by which government and missionaries attempted to preserve among the Hottentots a way of life which was rooted in the land. As the nineteenth century wore on, protective segregation became increasingly a part of missionary policy. Experience made it plain that rural communities of Coloured people, such as the Griquas in Griqualand East and the Bastards of the north-west, could not retain their hold on the land except in communities, and that to grant them the right of buying and selling land was the equivalent of condemning them to destruction.² There were other rights of equal citizenship (for example, the right to purchase strong drink) which in practice imposed upon them a burden which they were not strong enough to bear. If the premature grant of full equality meant the infliction of substantial injustice upon Coloured people, would it not mean a still greater injustice to the Natives?³ The idea of protective segregation found expression in Natal through the policy of Sir Theophilus Shepstone: the settlers opposed his policy; the philanthropists criticized, not its principle, but the insufficiency of its application. The principle on which Shepstone based his policy is clearly set out in a Memorandum of Instructions, dated 29th October 1850.

‘Whilst humanity and especially the injunctions of our religion’, the memorandum declared, ‘compel us to recognise in the Natives the capability of being elevated to perfect equality, social and political, with the White Man, yet it is as untrue as it would be unwise to say that the Native is . . . in his present state, capable of enjoying or even understanding the civil and political rights of the White Man.’

This statement does not represent the surrender of an ideal, but the recognition of a fact. The fact recognized is that special treatment, which is inconsistent with full citizenship, is for the present a vital need of the Native himself. Between 1879 and 1910 Cape Colony proved by the ‘policy of differentiation’ which it followed in the Transkei that it recognized the same fact. But neither in the mind of Shepstone nor in the policy of the Cape was ‘differentiation’ an ultimate end. It was assumed to be a temporary phase, which would pass when the Native people qualified for ‘perfect equality’: it also permitted individual Natives to qualify for equality here and now.

¹ Macmillan, *op. cit.*, p. 172.

² Marais, *op. cit.*, chapters ii and iii, esp. pp. 71-3 and 94-6.

³ For what follows see E. H. Brookes, *The History of Native Policy in South Africa* (Capetown, 1924), *passim*.

But, in the twentieth century, many sincere friends of the Bantu people, influenced by their reading or misreading of anthropological works, began to regard the 'policy of differentiation' as a thing which was permanent, and absolutely valid. They did not in so many words repudiate the ideal of common citizenship, but they insisted on the need of 'maintaining God's own lines of spiritual distinction' between black and white. To admit Natives to the privileges of civic equality, they suggested, was to turn them into 'second-grade Europeans'; whereas it was their true destiny to grow into 'first-grade Bantu'.¹ Some of these idealists were to discover, later on, that they had alined themselves unwittingly and against their real will with forces to which they were by tradition and in their deepest conviction irreconcilably opposed.²

There are two versions of the segregation policy. One version is a document of the missionaries' frontier, the other of the settlers' frontier; one version expresses the ideals of humane individuals working for the protection of the weak, the other expresses the will of a racial group which has found its unity in the determination to survive, to possess, and to dominate. The process by which this group became conscious of its identity and inflexible in its determination to maintain that identity is one of the most important elements in South African history.³ When the original Dutch settlers at the Cape sought to affirm their separateness from indigenous Hottentots and imported slaves, they said: 'We Christians.' This was a masterful, but not an excluding, affirmation; baptism and marriage conferred on the Hottentot or the slave the right of entry into the superior group. Recruitment of this kind, if carried far enough, would have blurred the edges of the group and destroyed its individuality; this was a prospect which the masterfulness and pride of the colonists refused to accept. At the end of the eighteenth century the question was formally raised whether baptized slaves could still be kept in slavery, and an affirmative answer was given. On the eastern frontier, where there were few slaves, the white man's will to rule took other forms. The teaching of British missionaries, and the policy of the British government, challenged this will, and spurred frontier society to the vast forward adventure of the Great Trek. An unlimited and un-

¹ Brookes, *op. cit.*, pp. 62-3.

² See, e.g., the less confused and more forthright principle of the same author's later book, *The Colour Problems of South Africa* (Lovedale Press, 1934).

³ See for what follows I. D. MacCrone, *Race Attitudes in South Africa* (O.U.P., 1937). This book is divided into three parts: (1) historical; (2) statistical (an attempt to measure quantitatively the intensity of racial feeling in different sections of the white population); (3) psychological.

conditional loyalty to one's own fighting group was the dominating idea of the frontier. It is true that the Voortrekkers carried with them, not only their rifles, but their Bibles. It is true that they still said 'We Christians'. But it was the Old Testament which most deeply moved them (how could it fail to do so?) as they advanced in war against the surrounding heathen and settled among them in dominion. The egalitarian Christianity which a section of the missionaries preached seemed to them a mischievous perversion of the Word of God. But its challenge probably hastened the day when they stated in other terms their title to conquer, possess, and rule. The affirmation 'We Christians' at last gave place to a new affirmation of group solidarity—'We Whites.'

Whether or not this determination to decide group-membership by skin-colour had from the beginning been hidden deep in the unconsciousness of the conquering group is not for the plain historian to say; for the unconscious does not leave archives. But it is clear that the conscious affirmation of the colour barrier was a fact of deep psychological and historical importance. It simplified in a highly dramatic form the whole of South African history; the legendary struggles and triumphs which won South Africa for the white man became literally a story told in black and white. It was not only the descendants of the Voortrekkers who learnt from the history which was taught them in home and church and school the lesson that colour was a fact—that it was *the* fact—of absolute significance. The majority of South Africans, British no less than Dutch, accepted the same teaching. If the teaching was true, the view of human relationships which missionaries and the imperial government had foisted upon the Cape, and which the Cape in its turn seemed desirous of foisting upon South Africa, was an utterly false view. It meant the destruction of the integrity of the dominant group by the 'assimilation' into it of those whose pre-ordained destiny was in other and inferior groups. It meant the mingling of elements which were not meant to be mingled—a political and social mingling to begin with, and probably a biological mingling to follow.¹ To the challenge of assimilationist

¹ The single-minded champions of the segregation policy, with a sound appreciation of propaganda effects, commonly telescope into the word 'assimilation' two distinct ideas, the idea of a non-racial qualification for legal and political privileges, and the idea of inter-racial miscegenation. Thus the former idea is made to share the odium attaching to the latter (see, e.g., Nicholls, *op. cit.*, p. 9). Some resolute liberals do not flinch from taking up the double challenge (e.g. Marais, *op. cit.*, p. 286). It may nevertheless be true that the repressionist variety of racial differentiation is more likely to produce racial admixture (at the level of a degraded and irresponsible poverty) than is a policy which does not by a colour bar hinder economic and political advance. Cf. the racial and social self-segregation in Montreal: also the tendency

doctrine there could be only one reply; that reply was the doctrine of differentiation and segregation. There could be no compromise with the theory of 'equal rights for every civilised man'. Members opposite, General Hertzog once declared in parliament, were waiting for the day when the equal rights idea should permeate South Africa. 'If that day dawns', he said, 'hands up as well'.¹ Who, he inquired on another occasion, was a civilized man? And he answered that every white man was civilized, and every white woman, just because of their whiteness. As for the view that others could acquire the privileges of civilization by qualifying in a test, that was 'a very pernicious doctrine'.² It was a doctrine symbolized in the non-racial franchise of the Cape. That symbol had to be destroyed. If apologetic liberals argued that the franchise did not in practice impose any check on the will of South Africa's white masters, it made no difference. It was the principle which mattered. General Hertzog declared himself ready to compromise on many things, but not on the franchise. 'It is a fundamental principle that it shall be altered.'³

The policy of segregation, it is now clear, has no single and simple origin. Speaking in general terms, and with the realization that general terms are liable to mislead until they are qualified by particular examinations of fact, we may provisionally recognize two aspects of the segregation policy, the one protective, the other repressionist. In one aspect the policy expresses the drift of a humanitarianism which is not quite certain of its intellectual bearings; in another, it expresses the masterful will of an historically conditioned group which knows exactly where it wants to go. The boundaries of this group are not conterminous with those of the Afrikaans-speaking section of the white population, still less with those of any political party. Although Native policy is the fundamental political question in the Union (or perhaps *because* it is so fundamental),⁴ it has not determined the party divisions in parliament and the constituencies. Questions of national status and of its symbolic expression, problems of adjusting the relationship between the two sections of the European population, of reconciling their traditional loyalties, and of finding a compromise between these loyalties in the external policy of

to cultural self-awareness in the Maori, which has *increased* as they have been assured of their social and political equality as New Zealanders.

¹ *J.P.E.*, vol. x (1929), p. 413.

² *Ibid.*, vol. xi (1930), p. 1059. Debate on Women's Enfranchisement Bill.

³ *Ibid.*, vol. x, p. 412.

⁴ Cf. the frequent pleas by party leaders to keep the Native question out of party politics—e.g. *J.P.E.*, vol. iv (1923), p. 192, a plea by General Smuts, and *J.P.E.*, vol. xiv (1933), pp. 789–90, a plea by General Hertzog.

the Union—these are some of the issues on which parties profess to divide. There are other issues, more deeply hidden, of economic interest. But there has been no single party which has found its bond of unity and its chief objective in the defence of ‘equal rights for every civilized man’. The coalitions and fusions of the early nineteen-twenties and the early nineteen-thirties, which led to the disappearance in turn of the unionist party and the South African party, and to the collaboration of diverse political elements under the leadership first of General Smuts and thereafter of General Hertzog, still further blurred the division of principle on Native policy. The leaders of all parties, including the labour party, professed their allegiance to the principle of racial segregation. They were divided only by their different conceptions about the degree of its application and of its applicability. ‘Segregation is already the law of the land’, declared General Smuts in May 1920; but he went on to admit that many of its implications had still to be worked out. General Hertzog threw all the emphasis on what still remained undone. They had, he said, ‘arrived only at the threshold’ of the segregation policy. There were only two alternatives—‘social equality and mixing up, or the opposite of that’.¹

This question of degree in the application of segregationist principle is an important one; it may, in fact, be more important than the principle itself. A sceptic once offered to produce in parliament at least seventeen different definitions of segregation.² Had he done so, he would have been able to show that many of these definitions were distinguished from each other, not in their abstract formulation, but in their practical content. It is even possible that there will always be found in South Africa champions of the segregation principle who complain that the country has ‘arrived only at the threshold’ of its application. In 1936 the Native Affairs Commission ventured upon a brief and complacent survey of what the segregation policy had achieved.³ It began its survey with the intercolonial commission of 1903–5, which by recommending segregation in land-ownership and the franchise heralded the revolt against ‘assimilationist’ principles. It acclaimed the Native Land Act of 1913 as the ‘first definite step’ along the road of segregationist principles. The Native Affairs Act of 1920 was the second step; it ‘set up segregation in local government for the Natives’, and by creating the Native Affairs Commission emphasized the fact that they were ‘a separate community’. The Native Urban Areas Act of 1923 established the principle of the

¹ *J.P.E.*, vol. i, p. 567, and vol. iii, p. 226.

² *Ibid.*, vol. v, p. 194.

³ U.G. No. 48, 1937, pp. 8, 9.

residential segregation of Natives in cities and towns. The Native Taxation and Development Act of 1927 instituted 'a segregation of revenues'.¹ The Immorality Act of 1926 'imposed criminal sanctions against the unwritten law of vital segregation'.² The Native Administration Act of 1927 'ensured segregation in the administration of Law'. Finally, in 1936, the legislature passed the Representation of Natives Act and the Native Trust and Land Act. These two measures, the Native Affairs Commission said, when supplemented by a forthcoming amendment of the Urban Areas Act, would 'complete the legislative plan'. And yet—in the year of this 'completion', the Union of South Africa held a census. That census showed that more than half of South Africa's six and a half million Natives were resident in the area which, according to segregationist theory, was the 'European area'.³

Is it surprising that zealots of the segregationist cause assert that no South African government—not even General Hertzog's Nationalist government—has dared to tackle the real problem?

'Give us', one of these zealots cries, 'real segregation. . . . Look at the piebald map of the segregated areas. Here is a patchwork in a literal as well as a figurative sense. In the course of another thirty years or so these patches are going to be festering sores all over the body politic. . . . No, instead of soaring, we are drifting; drifting into the entanglements of a difficult country dotted all over with black danger spots. "The

A 'segregation' which was criticized by the *Native Economic Commission* (U.G. 22, 1932, para. 226) on the ground that 'Public expenditure is . . . joint expenditure, not expenditure in which any particular class has to raise the whole amount of money expended by the State on that class'. It was also criticized by the *Interdepartmental Committee on Native Education* (U.G. No. 28/1936) on the ground that it made impossible the provision of sufficient finance for the end of Native 'advancement' which it was professedly instituted to serve: that it meant, e.g., a contribution by the State to Native education of a sum per head of the population 1/40 the equivalent contribution to European education, and this in turn meant the denial of education to 70 per cent. of Native children and the education of the other 30 per cent. 'on the cheap' (paras. 298-304).

¹ *Sic.* This, according to Mr. G. Heaton Nicholls, was 'one of the great milestones in Native legislation'. See *J.P.E.*, vol. xiv, p. 790.

² The figures (1936) of the distribution of the Native population are in round numbers as follows:

'Native' Areas (Rural)	2,962,450
'European' Areas (Rural)	2,195,750
Urban and Semi-Urban Areas	1,361,200
Alluvial Diggings	24,650
Construction Gangs	43,200
Unclassified.	9,650
Total	<u>6,596,900</u>

See fuller note at the end of this section.

Bantu are coming" is no idle election-cry of the Nationalists. It is a battle-cry of the advancing hordes of the Natives themselves. Unless we deflect their course they are going to over-run South Africa as they nearly did a hundred years ago.¹

The segregationist measures of 1936 were the fulfilment of a plan which General Hertzog had committed himself to ten years previously, when he was leader of the nationalist party. But this fulfilment did not in the least satisfy the nationalist party of 1936. The philosophy of that party, its propaganda and its very life, were inseparably interwoven with an intense emotional awareness of colour. It could not be appeased except by a segregation which was totalitarian and to the last detail complete. Was such an appeasement possible? Were even the most ardent supporters of the nationalist party prepared to shift more than three million Natives back into 'their own' area? What exactly did the party demand? It began to demand that the Cape Coloured population should be forced into the segregationist design. But was this all? What of the three and a half million Bantu who were living in 'European' areas? Had not the party a policy for dealing with them? It did not put forward a policy. Instead, it offered a phrase. That phrase was 'economic segregation'.

It is now time for us to turn our attention to economic realities in South Africa. We have examined the common phrases of political controversy on South African racial issues and have tried to get some understanding of the ideals and impulses which the phrases symbolize. It is now time to inquire whether these ideals and impulses have proved compatible with the economic facts with which policy has hitherto been compelled to reckon.

¹ A. C. Cilliers, *South African Nationalism or British Holism* (Stellenbosch, 1938). For 'the piebald map of the segregated areas' see next page. Dr. Cilliers advocated the expenditure of hundreds of millions to establish great compact black areas south of the Zambesi.

DISTRIBUTION OF NATIVE POPULATION IN SOUTH AFRICA

*Census 1936*¹

(In round figures)

'NATIVE' AREAS (RURAL):

Crown Reserves	2,420,350	
Mission Reserves	114,150	
Tribally-Owned Land	134,450	
Native-Owned Land (Individual and Syndicate)	143,100	
Crown Land (Native Occupation)	150,400	
		<u>2,962,450</u>

'EUROPEAN' AREAS (RURAL):

European-Owned Farms	2,053,450	
39 Company-Owned Farms	101,400	
Government Farms (European Leased)	13,950	
Coloured-Asiatic-Owned Land	28,950	
		<u>2,195,750</u>

URBAN AND SEMI-URBAN AREAS:

Mine Compounds	386,900	
Industrial Compounds	113,750	
Municipal Compounds	36,050	
Urban Locations	355,200	
Servants—Residential Areas	390,400	
		<u>1,282,300</u>
Rural Suburbs	11,300	
Native Townships	31,750	
Rural Townships	35,850	
		<u>1,361,200</u>

ALLUVIAL DIGGINGS 24,650

CONSTRUCTION GANGS 43,200

UNCLASSIFIED 9,650

TOTAL NATIVE POPULATION OF SOUTH AFRICA. 6,596,900

¹ Statement compiled by the South African Institute of Race Relations from figures supplied by the Office of Census and Statistics.

II

WHITE MAN'S COUNTRY

Throughout the first four decades of the twentieth century, the Europeans who had made or were making their homes in South Africa and Rhodesia and Kenya were loud in their assertions that the country in which their lot was cast was white man's country. Nevertheless, a sensitive ear might have noticed a gradual change in the tone of these assertions. At the beginning of the century the tone was one of unquestioning confidence. Thirty years later it sometimes seemed, at least in the north, to be more defiant than confident. If this change of tone was a real and not merely an imagined thing, what was its cause?

Failure to achieve impressive results was certainly not the cause. Let us look first at the northern fringes of settlement beyond the Union. In 1900 the Rhodesian settlements were in their infancy, the Kenya settlement had as yet been scarcely planned. Thirty years later these settlements were 'going concerns', contributing vigorously to the business of international exchange and enjoying standards of material reward which were beyond the reach of the masses of people in Great Britain.¹ They could not complain that their rate of population increase, compared with that of other new white communities, was a slow one; the very opposite was true.² They could not complain that they were cramped for room in which to expand. The white people of Kenya possessed in fact, and after a long struggle secured in law, the monopoly of a compact and favoured highland area which the Kenya Land Commission demarcated as 16,700 square miles.³

¹ See *Report on Industrial Relations in Southern Rhodesia*, Professor Henry Clay (C.S.R. 3-1930), pp. 30 ff.

² See *Economic and Statistical Bulletin of Southern Rhodesia*, vol. iv, no. 23, 'Movement of the Population: 1927-1936', and *Statistical Year Book of Southern Rhodesia*, 1938, pp. 3 ff. The following facts emerge: (1) The European population doubled itself between 1901 and 1911, and again between 1911 and 1931.

(2) In every intercensal period (even the period 1931-6) net migration and excess of births over deaths have both contributed to the increase.

(3) Although the white population of Southern Rhodesia has to some extent shared in general European birth-rate trends (in 1901 its rate was 28.5 per 1,000; in 1924 it was 23.6, in 1934 22.6, in 1938 25.0), its net reproduction rate would appear to remain well above unity. (The same is true of South Africa.)

(4) The age and sex composition is beginning to approach the 'standard' of Great Britain in 1901. This means that the preponderance of adults over children, and (to a less extent) of males over females which was the inevitable product of early pioneering conditions, is in process of being corrected. For South Africa see Hansi B. Polak, 'European Population Growth since the Union', in *S.A. Journal of Economics*, vol. iv (1936), pp. 1-42.

³ Cmd. 4556 of 1934, pp. 2 and 483. The Order-in-Council to reserve this area for European occupation, which the Land Commission recommended, was vehemently

The white people of Southern Rhodesia, exercising their legal powers as a self-governing community, allotted to themselves in perpetuity the unchallenged possession of 45,605,898 acres, representing approximately 62 per cent. of the total area of the country.¹ The white people of South Africa, who in the first four decades of the twentieth century grew roughly from 1 million to 2 millions, possessed approximately seven-eighths of the surface of the country²—though admittedly they possessed far less of the well-watered soil. Along the whole extent of the 'broad backbone' of South Africa, economic control was in the hands of the white people; south of the Zambesi political control was also in their hands.

Nevertheless, they could not but be conscious of a definite slackening in the *tempo* of advance. Such a slackening was inevitable, after the breakneck speed of progress which followed the mineral discoveries of the eighteen-seventies and eighteen-eighties. In 1870 the total white population of South Africa was below 200,000, in 1891 it was 621,000, in 1904 it was 1,117,000. In 1870 South Africa possessed 69 miles of railway, by 1890 she possessed over 2,000 miles, by 1910 over 7,000 miles. And by that time the Rhodesian railway had crossed the Zambesi. Moreover, the Anglo-Boer war had been fought; the four free communities of South Africa were creating their Union. They did not doubt that Southern Rhodesia would one day join them. To the men of 1910 the recent past seemed a miracle of progress. Why should not the future be the same?

It was an exhilaration which could not last for ever. As the speed of progress became less dizzy, calculations of future development began to take the place of rhapsodies. Estimates which were 'encouraging' succeeded beliefs which had been unbounded. Let us examine once again the increase of white population in Southern Rhodesia. During the intercensal period 1931-6, with its alternation of depression and recovery, immigration still continued, and the birth-rate maintained itself at a not unsatisfactory level. But for every nine persons who entered the country during this period seven persons left it. As for natural increase, it would at the existing rate take nearly half a century to raise the white population of Southern Rhodesia from 55,000 to 100,000. Meanwhile, what of the Native

opposed on behalf of both Indians and Natives. But it was finally issued in 1939. See Statutory Rules and Orders, 1939, No. 517, and the Kenya Crown lands (Amendment) Ordinance, No. xxvii, 1938, Section 58F, and Seventh Schedule.

¹ *Land Apportionment Act*, no. 30 of 1930. For its preparation and its effect, see below, section v.

² The total of the Native areas (including those added in 1936) is 18 million morgen. The total area of the Union 143 million morgen.

population? Estimates of its numbers and trend of movement were little more than guesses. But the official guess put the 1931 total at 1,118,000, and the 1936 total at 1,304,000. Here and there, among the outnumbered Europeans, the spirit of doubt entered. Was Southern Rhodesia really 'white man's country'? Was it likely to become so? Or what did 'white man's country' mean?

There were doubts of another kind. The official figures of the percentage increases in Southern Rhodesia's population for the period 1931-6 were as follows: Europeans, 11·02 per cent.; Asiatics, 28·23 per cent.; Coloured, 32·68 per cent.; Natives (estimated), 16·82 per cent. The most surprising figure was the recorded increase in the Coloured population. It represented an average annual birth-rate of more than 60 per 1,000, as compared with the European birth-rate of about 23 per 1,000. This hardly believable figure signified either a bad mistake of under-counting in 1931, or else racial intermingling on a colossal scale. Almost certainly it meant chiefly the former. And yet it was just this lack of exact certainty which created fear.¹

There was another kind of uncertainty which was very relevant to these statistical doubts. In various parts of Africa medical men were beginning to suggest that the hybridization of human stocks, like the hybridization of imported plants, might be the most natural and effective response to the challenge of climate. Were the tropical plateaux of Africa white man's country in the medical sense of the phrase? Were not the low-lying parts of sub-tropical South Africa inimical to the stamina of the white stock?²

¹ Cf. the panic created (not without some deliberate intention) in South Africa as a result of speculation about the unreliable figures of the census of 1921. Since then census methods have improved, and in future issues of the *Official Year Book of South Africa* it is planned to publish logarithmic graphs which will give the public a more sober and correct view of the movement of population in the various races. The movement, in fact, seems to run almost on parallel lines.

² See Louis C. Leipoldt, *Bushveld Doctor* (Constable, 1938), esp. pp. 56-7. 'What little experience I have gained from the study of third-and-fourth-generation white children in South Africa (I have elaborate notes made on examination of some 25,000 of them) has led me to think that there are factors that tend to promote similar decay at work among them. . . . In Kenya there is consensus among medical men that the child of Nordic parents brought up under Kenyan conditions shows deterioration. This is certainly not the case with first-and-second-generation white children in South Africa, no matter whether their lives are passed in the highlands or in the lowlands. . . . But there seems to be evidence that later generations are affected, and the crux of the matter is whether or not the race can be perpetuated without constantly drawing upon new blood and new stamina for its regeneration. . . . The doubtful operative factors are possibly humidity and direct action of sunlight, both of which may lead to a too rapid and forcible stimulation of the growing tissues. . . .' The only general historical and comparative study of white colonization in the tropics is A. G. Price, *White Settlers in the Tropics* (New York, 1939). He is not very well informed about the African situation, but has first-hand knowledge of conditions in Australia and the

The white settlers withstood the spirit of doubt. They insisted upon the decisive transformations which had been wrought by modern transport, modern economic technique, and modern medicine. They insisted on their will to survive and to keep their blood unmingled. They insisted on their own fitness for the African environment and its fitness for them. In the tropics elevation made all the difference. And the bulk of South Africa was not even in the tropics! The white man need not be afraid of his country and his climate. . . . But there was something else which he did fear. It was the Native who menaced him—not now as a military enemy, but as an economic enemy. There were politicians who played upon this fear. Speaking at the Voortrekker celebrations of the 16th December 1938, Dr. Malan, the leader of the nationalist party, pictured white South Africa 'meeting the non-European at the new Blood River, half armed or incompletely armed, without an entrenchment between them, and without the protection of a river—defenceless in the open plains of economic competition'.

We have seen how this conception of racial conflict was prepared by conditions on the trekking frontier, where the white man learnt to identify himself with the fighting group to which he belonged. Was the conception also rooted in the white man's economic situation? Or was there a disharmony between his racial feeling and his economic need? The economic history of South Africa, as we have seen, falls into two periods. The first of these periods lasted for two centuries; its dominant characteristic was the primitive pastoral expansion which occupied the hinterland. The second period began with the mineral discoveries of the last three decades of the nineteenth century. In this period an extremely modern capitalistic economy was superimposed upon the old primitive economy, challenging it to a radical transformation of method and mentality which it was extremely reluctant to undertake. We shall examine each period in turn, stating the problems at the outset from the point of view of the South African white man.

Earlier in this *Survey* it was suggested that the basic fact in South African history was the evolution of the 6,000-acre farm.¹ Here we

West Indies. About the future of white settlement in the tropics he finds himself compelled by the evidence to suspend judgement. Some geographers (notably Ellsworth Huntington) have emphatically questioned its future.

¹ See above, vol. ii, part i, pp. 12-14. The 6,000-acre farm is a rough translation of the 3,000 morgen *leningsplaats* (1 morgen = 2.12 English acres.) This itself is only a symbol. The *leningsplaats* was a grazing area held by a trifling payment. The tradition grew up that from the beginning of the eighteenth century it was demarcated by riding a horse at a walk from the centre of the holding (usually a site for the

found the clue to the moving pastoral frontier which pulled the Boers away from governmental control and European ideas into a self-sufficient and isolated life in the interior. 'Plenty of cheap land' was the explanation of South African expansion as it was of North American; but its economic significance was quite different in the two countries. Adam Smith, had he examined the South African economy, would not have reported on it with the enthusiasm which his American inquiries roused in him. In America 'plenty of cheap land' was, in his view, an economic advantage, because there was a market for the products of the land and because there was political liberty. But in South Africa the Dutch East India Company exemplified at its worst 'the petty spirit of commercial monopoly'. The colonists at the Cape were denied a market.¹ This denial inevitably turned their economic energies from an exchange economy to a self-sufficient economy, from an intensive development of the coastal districts to an extensive dispersal in the interior. And here, apart from South Africa's geographical disadvantages in comparison with North America, there was another disadvantageous contrast. In addition to cheap land there was also cheap labour—though not, so the Boers complained and still complain, 'plenty' of it.

Because of their situation with regard to land, markets, and labour, the Boers developed as a class of land-occupiers, hunters, and stock-owners, not (like the Australians) as working graziers and farmers.²

homestead, near good water) for half an hour towards each point of the compass. The result of this primitive surveying was supposed to be an area of 3,000 morgen (Grosskopf, *Rural Exodus*, p. 36, says 3,700 morgen). In fact, however, this method of surveying was *not* generally adopted at the Cape. It is obvious that a holding so demarcated would have been circular in shape. There are one or two examples of circular diagrams in the Surveyor-General's office; but they are exceptional. The horse-riding fable grew up as a rationalization to explain the size of the farm; and it is its size, not its shape, which is important. In the Voortrekker States, the burgher-right of an able-bodied man was a farm of 3,000 or (in the South African Republic) 3,700 morgen, with a low quit-rent for each extra 100 morgen (2s. 6d. in the Transvaal).

¹ All economic historians agree in stressing the importance of the Company's denial of a market in the formation of the trekking habit; some of them also lay emphasis on the effect of slavery at the Cape. Admitting the bad effects of the Company's monopolistic policy, it might be worth while to inquire whether the demand for Cape products under conditions of freedom, had they existed, would have been sufficient in the eighteenth century to stimulate a healthy economic development. Australia was more fortunate than South Africa in the historical period of her foundation and growth; her interior expansion was actually a response, and her first response, to commercial demand—the demand for wool.

² J. F. W. Grosskopf, *Rural Impoverishment and Rural Exodus*. (Report of the Carnegie Committee of Investigation on the Poor White Question in South Africa, vol. i.) The combined pastoral and hunting character of the frontier is symbolized by the entry in the same registers (the *wildschutte* books) of hunting and grazing rights in the eighteenth century. But there was also an exception to prove the rule of pastoral-hunting dispersion; the *erf* (small holding) as well as the *plaats*. *Ibid.*, pp. 34 ff.

Because they could command the labour of Kaffirs, they grew to despise paid manual labour as a thing meant for Kaffirs. Because there was plenty of land, many of them became indifferent to the possession of legal rights over land. Grosskopf gives instances within living memory of individuals who sold their burgher-right of 3,700 morgen for a few pounds in cash. Why pay a quit-rent of 10s. per annum when one could for no payment at all move with one's cattle on to the land of a relation or a friend? There grew up a large class of men, the *bywoners*, who with their families and their stock lived on the land of other men. They had no legal security, but they felt no need of it: 'when you were badly treated you simply went elsewhere.'¹ They were willing to make themselves useful in return for the grazing rights given them, but they would not do 'Kaffir work' or accept a money payment. 'Never in my life', protested an indignant *bywoner*, 'have I worked for another man for *money*. I trekked about with my own livestock—though I did look after other men's flocks.'² When there was plenty of land, the ownership of it was not a badge of superiority; the accident of not owning it made no real difference to a man's economic independence and his feeling of equality. There was room for everybody—proprietors, speculators (a sinister and chiefly British contribution to the coming economic trouble³), and *bywoners*. But towards the end of the nineteenth century two things happened which made landownership precious and depressed the condition of those who did not share this privilege. First, the mineral discoveries transformed the economy of South Africa and ended for ever the days of self-sufficient rural isolation. A little later (the time-relation of the two changes was important and unfortunate⁴) the opportunity for free pastoral expansion came to an end. Some adventurous trekkers might still seek opportunity in Angola or Rhodesia;⁵ others might accept the invitation of Rhodes to hold western Bechuanaland against a possible eastward penetration of the Germans from South West Africa;⁶ but for the Boers as a people two centuries of

¹ Grosskopf, *op. cit.*, p. 125. The above must not be taken as a complete account of the rise of the *bywoner* class.

² *Ibid.*, p. 173.

³ See C. W. de Kiewet, *The Imperial Factor in South Africa* (C.U.P.), pp. 185 ff., for land speculation in Natal.

⁴ Unfortunate because tens of thousands of Boers still clung to a way of life which offered no opportunity, and missed the early opportunity which was offering in urban areas. The 'rural exodus' of later years was a greater problem than it would have been had it not been unduly delayed until it was a product of sheer necessity.

⁵ The beginnings of the Angola trek were in 1874: since the war the Union government has at great cost transplanted the Angola Boers into South West Africa. The Adendorf Trek into Rhodesia (1890-1) is described in the Hon. J. Hofmeyr's life of 'Onze Jan'.

⁶ I refer to the isolated community in the Ghanzi block.

expansion had ended at last in a closed frontier. Gradually the landless ones became conscious of their new unfortunate plight. The *bywoner* discovered that he was now a lower-class white. Before the nineteenth century had ended, some people—not always with justification, for the two classes did not and do not coincide—were already calling him a *poor white*. For there were by now ‘rich’ whites on the land. Some farmers actively responded to the opportunity of producing for city markets; others, and perhaps the larger number, contented themselves with enjoying the heaven-sent boon of rising land values.¹ For many families this happiness in passivity was short-lived; the division of land among numerous children, which had long been the practice in areas which had lost the spirit of the *trek*, now threatened to create on a much wider scale the uneconomic fragmentation of farms.² Depressed landowners or depressed landless, the rural poor clung when they could to the rural life. Some of them found for a short time real opportunity as transport riders; others of them eked out a precarious existence as woodcutters or fishermen or alluvial diamond diggers. But an ever-increasing stream of them was forced to the new towns which the enterprise of *Uitlanders* had created. There they found that skilled work was a monopoly of immigrants earning very high wages, and that unskilled work was a monopoly of the Natives, who were paid a wage on which even the poorest white man could not live.³ They had been forced from the land: how were they to find a place in the towns?⁴

So far, we have surveyed the history of South Africa’s pastoral expansion as if there had been no Native population in the country.

¹ Grosskopf, op. cit., p. 93, quoting a witness from the Orange Free State: ‘The farmer believes as firmly as he believes in his Bible that there will always be a rise in the price of land.’

² *Ibid.*, p. 121. ‘In Marico, Transvaal, an old man who possessed a piece of land of 26 morgen . . . and who had 10 children and more than 50 grandchildren, stated that he was going to divide his property among his children. On being asked what they were to do with such a small plot he answered, “Then at least each of them will have his own place to settle on”.’ But for the general tendency of farms to find in the different rainfall zones an appropriate economic size, see *ibid.*, p. 47, Table 4.

³ The high white wages and low Native wages were complementary: it was the average wage so formed which determined the margins of production. See below, pp. 40 ff., 60 ff.

⁴ See the gloomy *Report of the Transvaal Indigency Commission* (T. G. 13–1908) and the less pessimistic conclusions of the *Economic and Wage Commission* (U. G. 14–1926), paras. 179–90. The decreasing proportion of rural to urban white population in South Africa is indicated by the following percentage table:

	1890–1	1904	1911	1921	1926	1931	1936
Urban . . .	35·82	59·91	51·70	55·78	58·17	61·27	65·24
Rural . . .	64·98	47·09	48·30	44·22	41·82	38·73	34·76

But since the last quarter of the eighteenth century, when Boer and Bantu met on the eastern frontier of the Cape, their destinies have been interlocked. According to the political and national interpretation of South African history conflict has dominated their relationship. But the economic historian sees this relationship as one both of conflict and co-operation.¹

The conflict was for the control of land. The Bantu, like the Boers, were a trekking people. The economic constitution of their expansionist society has thus been summarized by the Native Economic Commission of 1932:

'To a people knowing only extensive methods in agricultural and pastoral pursuits, more land appears to be the natural and only cure for increasing economic pressure. In their primitive life they know of no other. When their lands lose their fertility they apply to the Chief for more. When grazing fails they trek to other areas. If this brings them into conflict with other tribes the dispute is settled by the arbitrament of war. A reasonable balance is therefore maintained between population and land.'²

Expanding Boer society and expanding Bantu society first came into armed collision in the 'Kaffir War' of 1779. History records eight subsequent 'Kaffir Wars' as the eastern frontiersmen advanced to the Kei river. But some of the frontiersmen turned north, out-flanking the Bantu by their Great Trek. By the arbitrament of war the white man was adjudged to have a better right than the black man. In the Cape, in the two northern republics, and in Natal, the white man possessed himself of the bulk of the land. Here and there, policy, necessity, or humanity mitigated this historic process of *refoulement*. The Orange Free State and the Transvaal made very little provision for Native Reserves. But the 'imperial factor' preserved Basutoland and most of Bechuanaland—not, however, Swaziland, where two-thirds of the soil are now owned by Europeans—as areas of Native possession. In Natal Sir Theophilus Shepstone gathered into Reserves a Native population which was in large measure one of recent immigration. He was attacked for this action both by British and Dutch, and although he has increasingly found defenders, the line of argument which they frequently adopt is in itself revealing. 'After all', one of them has written, 'nine-tenths of Natal, including most of the best farming land, were still left for a population of not

¹ See the penetrating study of H. M. Robertson, '150 years of Economic Contact between Black and White', in *S.A. Journal of Economics*, vol. ii, pp. 403 ff., and vol. iii, pp. 33 ff.

² U.G. 22, 1932, para. 188.

more than 10,000 Europeans'.¹ The Natives between the Kei river and the border of Natal fared better; here only was there conquest without confiscation; here only within the territory of the Union does a large compact Native area exist.²

But if there was conflict for the possession of the land, co-operation of a sort inevitably ensued in the working of it. In some areas—notably in large areas of the Transvaal—*refoulement* was rather nominal than real, and the Natives lived on as 'squatters' (we shall explain this word later) with very little change in their manner of life. But elsewhere *refoulement* was real: its result was to heap the Natives into congested areas too small for their support, and to leave on the hands of Europeans areas so large that they could make no use of them. The problems of soil deterioration and human wretchedness arising from Native congestion will be considered later in this chapter; officials were already aware of them as far back as the eighteenth-seventies.³ The problems of the European land-taker will be dealt with now. Having pushed the Native possessors off the soil, he felt the need of pulling Native labourers back on to it. Government helped him to meet his need in the Ciskei, where Sir George Grey gave instructions for the establishment of small locations interspersed with the areas of white settlement, so that 'each European immigrant would thus have it in his power to draw supplies of labour from the location in his more immediate proximity'.⁴ One of the complaints made against Shepstone by the Natal commission which considered the Native question in 1852-3 was that he had made the Reserves so large that settlers found it hard to draw labour from them. Despite complaints of this nature, increasing pressure in even the large Native areas soon compelled the tribes to export their able-bodied men for periodical labour; de Kiewet believes that this had become a normal necessity for Basutoland and the Native districts of the Cape Eastern Province as early as 1877.⁵ But this seasonal flow of labour did not meet all the needs of the white farmers. They wanted in addition regular and resident labour. It was seldom that they could pay for it in money. Nor did the Natives chiefly want money; more even than the white men, they estimated their wealth in cattle, which had for them a religious and sacramental significance.⁶

¹ Brookes, *op. cit.*, p. 30.

² There is a certain amount of European occupation even in Transkeian territories, e.g. around Umtata and in East Griqualand.

³ de Kiewet, *op. cit.*, p. 150.

⁴ See *Coming of Age* by various authors (Capetown, 1930), p. 137.

⁵ de Kiewet, *op. cit.*, p. 154.

⁶ I refer to the custom of *lobolo*. Giving evidence before the Native Economic

White landlords and Native workers therefore slipped into a relationship which came to be known as labour-tenancy. It was a kind of economic feudalism, and had many forms, but the following definition of it may be accepted:

'... the system the main features of which, subject to innumerable differences in detail from district to district, is the giving of services for a certain period in the year to the farmer by the Native and/or his family in return for the right to reside on the farmer's land, to cultivate a portion of land, and to graze his stock on the farm.'¹

The presence of Natives on European farms as labour-tenants, or indeed in any other capacity, is of course strictly incompatible with the ideal of segregation. Long before this ideal had been consciously formulated the legislatures sought to limit the number of Natives in areas of European ownership. At the beginning of the eighteenth-forties, the republican Volksraad of Natal passed a law forbidding farmers to keep more than five Native families on their farms. But the prohibition broke down, both because of the pressure of Natives for accommodation and the demand of many farmers for more labour. The Transvaal similarly enacted a five-family limitation, but thereafter did much to nullify it by permitting each *bywoner*, as well as each farmer, to secure the services of five families. Obviously, there were in practice very considerable qualifications to *refoulement*. Not all these qualifications were due to the farmers' demand for labour; some of them were due to the speculators' demand for rent. There were lands in European possession which were being farmed not at all, or scarcely at all—lands owned by the State, or by speculating individuals and companies, or simply by farmers endowed with too many morgen. These lands were given over to 'squatting' or 'Kaffir farming'. The Natives remained on them and lived their accustomed life. Sometimes they paid for the privilege a rent in cash. Sometimes there was a division of produce between Native occupier and European landowner.²

Commission (see U.G. 22, 1932, para. 33) Professor Lestrade quoted the description of cattle in Suto as 'The god with the wet nose'. Mrs. Hoernlé said: 'The cattle are a trust to the present generation from the past generation; they are a medium between the people who are here and those who are no longer here, as the Natives put it. . . . They are heirlooms, emblems of the status of the family. . . . That is why, when these cattle are used in marriage the ancestors must be appealed to to accept a transfer of the cattle to another kraal, because they are really the cattle of the ancestors. Therefore, always in the original ceremony, an animal was sacrificed as part of the marriage ceremony, and through the groaning of the animal, or in some other way, the ancestors gave consent to the marriage—accepted the woman into the kraal and allowed the cattle to go into another kraal.'

¹ U.G. 22, 1932, para. 355.

² 'Squatting' is a word which has different significations in different parts of the country: in the Orange Free State and Transvaal it covers labour-tenancy; but not

All this represented economic co-operation of a sort—of a very primitive sort. It did not stimulate change and progress in the economic methods of the Bantu, or in the not so very dissimilar economic methods of the white men. It was a co-operation whose terms were fixed, or seemed to be fixed, by the European owners of the soil, who were also the sole possessors of political power. In practice, the economic principle of supply and demand was also operating, at first in mitigation of the white man's monopoly as owner and ruler, but later in aggravation of it. So long as there remained 'plenty of cheap land', it was not difficult to adjust the co-operative relationship between Europeans and Natives in a free and easy and even friendly fashion, which was on the whole satisfactory to both parties, except perhaps in the farming areas which were adjacent to congested Native areas. But the rise in land values beginning in the last quarter of the nineteenth century, which as we have seen created an inferior class of poverty-stricken and insecure Europeans, pressed heavily on the Native population also.

The white landowners were compelled by a steady economic pressure to seek an increased return from their holdings, which in most parts of the country were being reduced from their sprawling dimensions. Inevitably this pressure fell with cumulative heaviness upon the resident Native population. The white man's legislature attempted to ease the economic pressure on the white farmers. Year by year it increased taxation upon the new and progressive part of the country's economy, and increasingly diverted the proceeds to the task of helping the inefficient.¹ But legislative action supported and intensified the economic pressure upon the Natives.

in Natal. Again, it covers cash tenancy but seems sometimes to exclude the produce-sharing system. Typical figures for rents under cash tenancy are given in U.G. 22, 1932, p. 204 (Addendum by Mr. Lucas).

¹ This is too large a subject to be handled in the text; some of its aspects may be indicated here. The dependence of the South African economy on mineral production is demonstrated by S. H. Frankel, *Capital Investment in Africa* (O.U.P., 1938). See especially chapter iv, sections 3 and 4, which deal with (a) taxation of the mining industry and (b) subsidization of agriculture by the State. On this see also *S.A. Journal of Economics*, vol. iii, no. 3, C. S. Richards, 'Subsidies, Quotas, Tariffs, and the Excess Cost of Agriculture in South Africa'. See also vol. vi, nos. 1 and 2, an 'economists' protest' by five authors, dealing with the dairy produce, maize- and wheat-marketing schemes and the Marketing Act of 1937.

An Australian observer in South Africa, after making all due allowances for the special environmental difficulties with which the South African farmer has to grapple (they have been well described by the late Professor Lilian Knowles in vol. iii of her *Economic Development of the British Overseas Empire*) cannot fail to get the impression that land utilization in Australia has been and is incomparably more efficient than in South Africa. This impression is strengthened by a perusal of the tone and content of the Annual Reports of the Secretary for Agriculture and Forestry and by many of

In theory, and to some extent in practice, the legislative pressure brought to bear on Natives in 'European' areas was compensated by the creation of alternative opportunity in the 'Native' areas. The degree of this compensation will be examined in section iv of this chapter. Our present concern is with the 'European' areas only. We shall consider the rural and urban districts in turn.

Attempts to limit the number of Native families residing on European farms date back a full century; but it is only during the past thirty years that there has been a strong drive behind them.¹ 'Squatting' was the first form of Native occupancy which the Union legislature attempted to restrict. The Natives Land Act, No. 27 of 1913, aimed at its ultimate extinction in the Transvaal, the Orange Free State, and Natal. The same act enjoined the immediate extinction of produce-sharing occupancy in the Orange Free State. But this legislation proved very slow in achieving its purpose. A new effort has recently been made. Chapter IV of the Native Trust and Land Act of 1936 attempts to hasten the extinction of squatting by imposing sanctions. Within thirty years the system must cease absolutely; in the meantime all squatters must be licensed, the fee rising by 10s. each year until in the tenth year it reaches £5. Unlicensed squatters

the special Bulletins issued by the Department of Agriculture. See e.g. the *Report for the year ended 31st August 1936*—p. 494, 'establishing facilities for the gradual elimination of certain fundamental defects which cripple the industry'; p. 496, 'Soil has been entirely overtaxed by crop-production or live-stock farming or both'; p. 499, 'We have broken up the natural soil-velde-stock cycle and in doing so have made Nature an enemy instead of a collaborator'; p. 500, 'Thousands of morgen of valuable veld have deteriorated to such an alarming extent that to-day the carrying capacity of the Union's natural pasture is undoubtedly much lower than it was twenty years ago'. Admissions of very serious and costly mistakes would be found in corresponding reports in the Australian States, but these admissions would be balanced by a consciousness of progress, over a long period, in the understanding and handling of agricultural and pastoral problems. See S. Wadham and G. L. Wood, *Land Utilisation in Australia* (Melbourne, 1939). For evidence that the Union's Department of Agriculture is not unconscious that the policy of subsidies may postpone a serious grappling with the basic problems of land utilization, see e.g. *Bulletin No. 141*, 'An Economic Study of the Wheat Industry in the Union', by W. J. Pretorius. The bulletin shows how wheat farming has extended as the result of protection and is approaching the time when the need of an export subsidy will be felt, as in the case of maize. Production has extended into areas (notably in the Orange Free State) which are not naturally suited for it. This, says the *Bulletin*, may be justified by the 'self-sufficiency' idea of natural interest. Nevertheless, the development is too often taking the form of an unhealthy soil-exhausting monoculture.

Finally, it may be observed that the policy of export subsidy is being increasingly criticized from the point of view of those who are concerned with the problem of malnutrition in South Africa, notably among the Native population. See e.g. *Farm Labour in the Orange Free State* (Institute of Race Relations, Monograph Series No. 2). It should, however, be remembered that the protection of urban industry (at least since 1920) has imposed costs on agriculture and mining.

¹ See above, p. 26.

must find employment in their district as domestic servants or in some other capacity; or, if it should prove impossible for them to do this, the Department of Native Affairs must transfer them to a 'Native area'. Since the Act of 1936 was passed, a committee on Native Farm Labour has urged the government to carry its anti-squatting provisions into effect with speed and resolution.

The Act of 1913 spared the institution of labour-tenancy; but the next twenty years revealed increasingly that it was ill-adapted to changing conditions on the land. As farms grew smaller, farmers curtailed or rescinded absolutely the grazing-rights which labour-tenants had traditionally enjoyed. As they felt a growing need to improve the quality of their own stock, they grew more impatient of the scrub cattle—even though there were no bulls among them—kept by the Natives. Moreover, they discovered that labour-tenancy as a source of farm labour was expensive. The ninety days of labour traditionally due from tenants in the Transvaal and Orange Free State, even the six months of labour which was the common obligation on Natives in Natal, did not necessarily fit in with the needs of European farming. For these and for other reasons farmers began to complain that labour-tenancy prevented them from making efficient use of their land. The Natives grew equally dissatisfied. They complained that the farmers, in their demands upon the labour of the Native household, were continually making breaches in established custom.¹ Still more bitterly they complained of the restriction or abrogation of their grazing rights. It was these rights which, in the eyes of a cattle-loving people, constituted almost the whole virtue of the system. The system was in truth breaking down.² The legislature attempted to patch it up by the Native Service Contract Act of 1932. The old restrictions upon its application reappeared in the Native Trust and Land Act of 1936, with a new sense of urgency and new machinery for carrying them into effect.³ The committee on Native farm labour reported in 1939: 'Labour-tenancy has served its time, is economically unsound and forms a

¹ e.g. by standardizing the days of service required at the highest level and also by exacting the days of service at the times convenient to themselves, thereby in fact reducing the period in which the Native can sell his labour elsewhere for the cash he needed (see *Race Relations*, August 1938, p. 59).

² U.G. 22, 1932, para. 391. 'The system is disintegrating and is bound to disappear in time under the force of economic pressure, much as the "bywoner" system has already largely disappeared.'

³ Sections 26-30. Labour-Tenants Control Boards (except in the Cape Province where other instruments are to be used) are set up to oversee and restrict labour-tenancy. (In section 29 the old five-families maximum reappears.)

wasteful distribution of labour. It is no longer possible to reinforce the system.¹

The disintegration of a system of economic feudalism may produce either a peasant economy or an agricultural proletariat. There are some observers who believe that the former will eventually emerge in South Africa.² The recommendation of the Native Economic Commission that the conditions of labour-tenancy should be laid down in formal written contracts might seem to tend in that direction.³ But the actual tendency during the period under review seemed definitely to indicate that labour-tenancy would give place to a wage relationship between European farmer and Native worker. It is the wage element in the rural economy which has been emphasized in a recent and thorough investigation into farm labour in the Orange Free State. The wage is paid partly in kind, partly in cash. Married men usually receive 1 to 2 morgen of land for ploughing, and vaguely defined grazing rights; but the latter have been progressively curtailed. Allowing for innumerable local variations, the standard value of these 'privileges' to the recipient may be reckoned at about £9 per annum; their cost to the farmer is considerably less.⁴ In addition, there are other payments in kind—½ bag of mealie-meal per month, some separated milk, salt, housing-material, water and fuel—which are to be reckoned as 'subsistence'. As for the cash wage, it amounts in the Winburg district (which is taken as the standard) to 10s. a month for adult males, with an extra 2s. a month to be earned in the seasons of shearing and reaping. Adding together the payments in kind and in cash, their total monetary value to the head of a family receiving them would be a little more than £15 a year. But to this of course must be added the 'subsistence', and the earnings of other members of the family. Women in the Winburg district may earn 5s. a month by domestic work and 1s. 8d. a month by weeding or reaping, and the pay for the labour of children is 1s. 6d. a month.

The investigator comes to two conclusions which have an important bearing on the movements of policy with which this chapter is concerned.

In the first place, he thinks it highly probable that even the nominal wages of farm labour have fallen owing to the failure of increased

¹ *Race Relations News*, June 1939, p. 1.

² *Farm Labour in the Orange Free State* (S.A. Institute of Race Relations, 1939), p. 4.

³ U.G. 22, 1932, paras. 393-401.

⁴ *Farm Labour in the Orange Free State*. The investigator lays considerable stress on this distinction, which, it is claimed, is inherent in all forms of 'truck' payment. He estimates that the total cost to the farmer of *all* payments in kind, including 'subsistence', is not more than £5 a year.

money receipts to compensate for the restriction of grazing rights. He is quite certain that there has been 'a serious fall in the value of real wages'.¹

In the second place, he concludes that the wages being paid are insufficient to maintain the supply of labour which farming demands.² At first sight the figures of rural population in the Orange Free State might seem to contradict this second conclusion. Between 1921 and 1936 the European rural population declined by 4,648; in the same period the rural Native population increased by 82,475.³ But the bread-winners of Native families are increasingly absent in the towns, and it is becoming increasingly common for the boys who have grown up on farms and have been trained for agriculture to go to the towns at the age of 18 or thereabouts, leaving the farmer deprived of the value of their training. 'The evidence in this and other ways seems to suggest that the farms are now becoming what the Reserves used to be, sources of a labour supply. But, whereas formerly it was the farms that drew from the Reserves, it is now the towns that draw from the farms.'⁴

Certainly, the complaints of farmers during recent years would seem to give support to this conclusion. The remedies which are advocated in letters to the Press and resolutions of farmers' associations usually contain in them a strong element of 'sanctions'. There is already at the disposal of farmers a fairly formidable array of 'sanctions'. Against an actual breach of contract they can invoke the penal clauses of the Masters and Servants Act. But a contract is only for a short period, and in any case a Native is not likely to break it and thereby lose his crop. Farmers are frequently able to exercise a more enduring and more effective control over their labourers through the bond of debt. They can, in addition, appeal to the townsmen's dislike of the Native influx, urging them to employ the restrictive powers which each successive amendment of the Urban Areas Act makes more stringent.⁵ But for many farmers all this is insufficient;

¹ *Ibid.*, p. 22.

² *Ibid.*, p. 27: 'It is even possible that we have reached the point where the labourer is not reproducing himself fast enough to keep pace with the increasing demand for labour.'

³ The figures in the Orange Free State for 1936 were:

	<i>Urban</i>	<i>Rural</i>
Europeans	91,785	109,162
Natives	104,290	448,886

⁴ *Ibid.*, p. 26. Broadly similar conclusions emerge from E. S. Haines, 'The Economic Status of the Cape Province Farm Native', *S.A. Journal of Economics*, vol. iii (1935), pp. 57 ff. This investigator also concludes that official and popular estimates of the labourer's wage are greatly exaggerated.

⁵ See below, pp. 37-8.

they urge a stricter enforcement of existing Pass Laws and the imposition of new ones. Yet it may well be doubted whether the piling up of legal barriers against the mobility of labour is an adequate cure for their troubles. Some of them have called upon the State to organize the recruitment in tropical Africa of labour for South African farms. But how can the farms compete with the mines in attracting tropical Africans? Others of them have called upon the State to remit the poll-tax of £1 which farm labourers, like other Natives, must pay, and to recoup itself by raising the poll-tax on Natives outside the farming areas. This proposal amounts—among other things—to a request for a public subsidy to farm wages. There seems indeed no escape from the conclusion that nothing less than an increase of farm wages will safeguard the supply of farm labour. This most emphatically is the conclusion of the investigator into Orange Free State conditions. His conclusion is endorsed (though with some discretion of expression) by an official commission which in 1939 reported on the problem of farm labour throughout the Union¹.

We now see opening up before us a new theme—not the competitive and co-operative relations between Europeans and Natives, but the competitive relations between different sections of Europeans, of which the outbidding of rural employers by urban employers is an example. This theme is an interesting one, but it may be postponed for a little. We must now retrace our steps to consider the origins of the Native movement into the towns, and to examine the relations of economic co-operation and conflict which grew up there between white men and black.

It was, of course, the mineral discoveries which created the new demand for Native labour. The diamond fields of Kimberley soon managed to attract a Native labour force of over 10,000. The response of Natives since those early days to the demand of the mining and, later, the manufacturing industries, may be illustrated by the fact that in 1937 the number of non-Europeans (chiefly Natives) employed in mining and allied concerns was more than 400,000. At the end of 1937 approximately 339,000 Natives were in employment on the

¹ See *Farm Labour in the O.F.S.*, pp. 27–8. Increased wages, the writer argues, can be paid out of increased productivity and/or a better distribution of the product, and there is room for both. 'The major part, probably as much as 90 per cent. of the productivity of the land, labour and capital, goes to capital, as represented either by the employer alone. . . . or to the employer and the banks.' (Over-capitalization of farms is widespread.) The 1939 commission on farm labour does not express such opinions; but it does reject the extension of restrictive laws and regulations, the importation of tropical labour, and the remission of the poll-tax. And it does advise farmers to compete with the standards set by the mines in housing and diet—i.e. it advises them to raise real wages.

Rand alone. Between 130,000 and 140,000 Natives were at the same time employed in secondary industries. At the census of 1936 one Native in every five was counted as a town-resident; the total in 1936 was 1,361,200, as compared with 587,000 in 1921. Not all these Natives are permanent residents in the cities; some of them, most notably the mine-workers, are sojourners who continually take each others' places. But no section of the population is co-operating more efficaciously than these sojourners in South Africa's economic task. It is a co-operation whose profits are enjoyed not merely by capitalists, but by the whole white population of South Africa. Without this co-operation, there would be no high wages for the more fortunate white workers and no 'civilized' wages for the less fortunate, no subsidies for farmers, no busy network of railways and roads and air services, no great services of health and education—in short, no modern South African State.

This co-operation has not always been quite so speedily forthcoming as to meet the demand for it; hence the importation of Chinese labour after the Anglo-Boer war. Nor have the territories of the Union itself been sufficient to meet the demand. The three 'Protectorates' have made a generous contribution of their man-power, the Portuguese colony of Mozambique has given to the Chamber of Mines facilities for the importation of labour up to 90,000 men a year;¹ the recruiting agents of the mining industry have begun to tap Nyasaland; in July 1937 they received authority to recruit 'tropicals' in unlimited numbers.² The modern economy of South Africa, with its heart in the Rand, is a disturbing and attracting force whose range of influence extends far beyond the political boundaries of South Africa.

The manner in which this disturbance and attraction have operated, the manner in which the economic demand for labour has called forth the supply, can be recognized in the early history of the mining industry. The problem was in a sense one of migration; but the impulses which stimulated the migration were not merely those familiar in modern Europe. The migrants were summoned to a life which was utterly strange to them, and at the same time they were

¹ The first Union-Mozambique convention was signed in 1894; the most recent revision of it (stipulating that annual recruitment shall not exceed 90,000) was on 8th June 1936.

² In 1935 the Chamber of Mines was given authority to introduce experimentally 3,000 Nyasalanders. In 1936 the limit was raised to 5,000, and in July 1937 to 10,000. In November 1937 unlimited authority to recruit 'tropicals' was given. The governments of Southern Rhodesia, Northern Rhodesia, and Nyasaland, however, have limited the recruiting activities of the South African mining industry in their territories. See below, pp. 92-3.

usually forbidden to bring their families with them and thus to change the new life into 'home'. So the 'pushes' which induced the migration were at first more important than the 'pulls'.¹ The loss of land, the insufficiency of the means of livelihood in congested Native areas—those were in South Africa a fundamental cause of the will to migrate. To this cause was added—not only in South Africa but in less congested or quite uncongested areas elsewhere—the demand of government for a money-tax.² But even in the early beginnings of mining development, there were some positive attractions which beckoned many willing Natives to the new life. They did not heed the cultured voice of the Kimberley Press when it preached to them of 'holy ennobling honest labour and the steady progress of education'; but they listened to the recruiters who promised them payment in guns and ammunition.³ Very soon they learnt by experience the desirability of less specialized economic goods—tea and bread and tobacco and soap, blankets and beds and saucepans and ploughs. Thus they began to respond to the normal economic incentives of white civilization, and to make themselves partakers in the struggles of European people for higher standards of living. They began also to imitate the white man's habits; they aspired to share in his civilization. Nowadays, the young men go willingly to the mines; frequently they return as rebels against the tribal customs which their elders struggle to uphold.⁴

In all this there is nothing new. The drastic uprooting of rural communities was already occurring in western Europe more than a century ago, and is still occurring in other countries. It is a normal incident of modern industrial progress. For the confusion and suffering which too often accompany it, two compensations are usually offered. The first compensation is individual—for all individuals a higher material standard of living, and for some of them (the cleverer, the luckier, or the more pushing) opportunities of 'getting to the top', or at least of 'bettering their condition'. The second compensation is social, and is a product of the later rather than of the earlier industrialism; it is fellowship in a new community, less intimate than the old

¹ See vol. ii, part i, pp. 173–5, for discussion of 'pushes' and 'pulls' in white migration within the Commonwealth.

² On taxation, see Lord Hailey's *African Survey*. It is to be noted that the poll-tax in the Transvaal was differential, favouring employees on farms and in mines. In the Cape a clause in the Glen Grey Act (No. 25 of 1894) explicitly penalized through taxation the Native who did not sell his labour outside his district. The unpopularity of this clause with the Natives compelled parliament to repeal it.

³ de Kiewet, *op. cit.*, p. 18.

⁴ See *Western Civilisation and the Natives of South Africa* (ed. I. Schapera, Routledge, 1934), chap. ii.

village community, but capable increasingly of inspiring interest, pride, and even affection.

Has South Africa offered these compensations to the Natives whom she has summoned to her cities to labour for the increase of her wealth? It is hard for her to offer them. Consider first the social compensation of fellowship in a new urban community. The Native can hardly expect to be a sharer in this, for the city is a 'European area'; it is part of 'white man's country'. The white man cannot easily screw himself to the point of accepting the increasing presence of Natives in towns as a normal and healthy growth of national life; he regards it as a disease. The Native Affairs Commission, a body which in its first report declared that it was 'primarily and essentially the friend of the Native people', has declared also (and many times reiterated the declaration) that urban areas are European areas, and that the Natives present in them are present 'to minister to the needs of the white population'. It has been the aim of the white population and its government to maintain the inflow of Native labour which European industry demands, but at the same time to restrict the increase of Native residents against which European citizens protest.

The mining industry has attacked this problem with most signal success. The 400,000 Natives whom it uses for unskilled labour are not residents of the towns, but temporary sojourners in the mining compounds; their permanent residences are in Native areas, inside the Union or outside it. Here they meet the recruiting agents; here they sign their names or make their marks on a printed form, thereby agreeing to work under specified conditions for a specified number of shifts or months.¹ On an average, the period of their temporary transference to the mining compounds is from nine to twelve months. When they have fulfilled their term of service, their country homes await them. There is no other country, some patriotic South Africans declare, where working men can satisfy their needs by taking a wages job for nine or twelve months every three years or thereabouts! Moreover, they say, the system of temporary recruitment coincides happily with the teaching of modern anthropology and the sacred obligation of trusteeship, inasmuch as it avoids the evil of de-tribalization, and permits the Native to continue 'developing along his own lines' on his own ancestral lands. Other South Africans (are

¹ 'The term 'Month' shall consist of 30 shifts, whether day shifts or night shifts. Normal Working Shifts consist of ten hours' (*The Dundee Coal Company, Ltd., Memorandum of Agreement*). For summaries of the recruiting organization see *Official Year Book of S.A.*, 1938, pp. 822 ff., and Hailey, *op. cit.*, pp. 651 ff.

they less patriotic?) reply that the Reserves are being used as a means of subsidizing wages, with a depressing effect upon the standards of every class of urban labour.¹ They maintain that the system of temporary recruitment goes against the experience of all progressive economies, inasmuch as it means a division of energy and purpose, involving both the sacrifice of efficiency in industry, and the neglect of agriculture in deteriorating Native Reserves.² They reply also that the breach in family life through the temporary absences of the men is producing detribalization of a particularly ugly kind. These 'temporary' absences are becoming more frequent; to an increasing degree the absences are in fact permanent. Amongst the women left behind on the Reserves the old standards of marital fidelity are being broken down; amongst the children the old tribal discipline is being undermined. Amongst the men herded together in distant compounds far from their women folk male prostitution has become a normal incident of life. It is presumptuous—so these unorthodox South Africans protest—to defend the system of unstable labour and broken families by appealing to anthropological science. The 'functional school' of anthropologists, which has been in the ascendant during the past generation, teaches that a tribal culture is a unity which must disintegrate if thwarted or destroyed in any one of its aspects. And has not Junod, the great pioneer of anthropological science in South Africa, described in detail the 'disgusting parody of Bantu marriage' which embellishes the sodomies to which the compound system condemns its workers? Has he not denounced the compounds of Johannesburg as 'the University of crime'?³

It is only the specialist investigator of the old African culture and of the new South African society who may presume to judge between these two contending points of view. Our immediate concern is with the efforts of the white men to maintain the integrity of their cities as 'European areas'. It is not only the Native mine-workers who are temporary absentees from the Reserves; workers of other kinds, including many domestic servants, fall into the same category. These workers cannot be kept in compounds, and although they must justify their presence anywhere except in the Cape Province by producing their passes to be examined by any policeman or official who demands

¹ See below, pp. 68–9, for discussion of urban wages, and the debated effect on them of the Reserves.

² See below, pp. 69–71.

³ See H. A. Junod, *Life of a South African Tribe* (2nd ed., Macmillan, 1928), vol. ii, pp. 492–5. It is commonly said to-day that Basuto mine-workers are distinguished by their freedom from homosexual practices, and that the credit is due to the rare persistence of Basuto women in making their way to the mining areas to serve there as prostitutes.

to see them,¹ they cannot so easily be isolated from the white citizens. Moreover, it has gradually become apparent that many of them are bringing their wives after them, and have the fullest intention of becoming permanent urban residents. Between 1911 and 1921, according to the census figures, the female Native population in urban areas increased by 50 per cent., while the male Native population increased only by 7 per cent. Since 1921 industrial progress has speeded up the rate at which Natives, both men and women, have been taken permanently into the towns. How have the white rulers of South Africa responded to this challenge?

In colonial days it was left to the municipalities to regulate the conditions under which their Native residents lived. The municipalities troubled themselves very little in the matter, and there grew up in the cities Native slums, cheek by jowl with European slums. To illustrate the problem from the experience of Johannesburg: the districts of Sophiatown, Martindale, Newtown, and Newclare, although extremely profitable to slum landlords,² became a reproach to the city. A visitation of plague in 1904 convinced the white citizens that they were also a menace; they therefore hastily cleared the plague-infected area and shifted its inhabitants into a 'location' near a sewage farm at Klipspruit. Thus began haphazardly the planned residential segregation which impresses the visitor to Johannesburg to-day. A great epidemic of influenza after the war of 1914-18 stimulated the municipality to another segregationist effort, and it established another location in proximity to another sewage farm. In these days a labour majority controlled the city council. But the spasmodic segregationist efforts of municipal councils were failing to make any headway against the increase of urban Native populations. Nor were the councils taking sufficient care (since Native life has its value and disease is with difficulty segregated)³ to provide sanitation and combat disease in the locations which they established. The Union legislature has therefore found it necessary to intervene, with

¹ According to the *Native Economic Commission*, U.G. 22, 1932, para. 728, a Native in Johannesburg may in certain circumstances be by law the bearer of four separate passes or permits, 'in the absence of any one of which he might find himself liable to arrest and imprisonment'. In 1930, 42,000 Natives were convicted of offences against the *Pass Laws* (*ibid.*, p. 721). For a general account and discussion of the Pass system see Hailey, *op. cit.*, pp. 664-72.

² John Maud, *City Government, Johannesburg* (O.U.P., 1938), p. 137.

³ *Annual Report of the Department of Public Health*, U.G. No. 48, 1938, p. 13: 'With a national, agricultural and industrial economy based on cheap Native labour the health conditions of the non-European have become of paramount interest to the European. Further, the fact has often been stressed that disease recognises no colour bar, and that the European community is constantly paying the penalty for tolerating reservoirs of infection among the Bantu population.'

the double purpose of enforcing the segregation of Natives in urban areas, and of maintaining minimum standards of health and decency in the locations where the Natives are segregated.

This policy is expressed in the Urban Areas Act of 1923 and its amendments.¹ We shall postpone consideration of its protective aspect, merely remarking that this aspect is real and important. Our present concern, however, is not with the progress of health and housing in Native locations, but with the white man's attempt to preserve the city as a European area. Regarded from this point of view, the Act of 1923 attempted to do two things. It attempted to limit and reduce the number of 'surplus' Natives, those who—it was the definition of the Native Affairs Commission—were not ministering to the needs of white men. It also aimed at the concentration in separate areas of the Natives who were not 'surplus' because they were needed by white employers. In pursuit of the first aim the Act of 1923 empowered the Governor-General to proclaim areas in which every male Native, unable within a specified time to exchange his permit to seek work for a document attesting that he had found it, might be ordered to quit. The amending Act of 1930 empowered the Governor-General to proclaim areas which Natives should be forbidden to enter except under specified conditions. The Native Laws Amendment Act which came into force on 1st January 1938 went still further; it contained drastic provisions for the removal from proclaimed urban areas of Natives already resident in them.² Yet all the time the Native population of the cities continued to grow!

This failure of the Urban Areas Acts to achieve their first purpose—namely the stemming of the Native influx—has made the achievement of their second purpose seem all the more necessary. If the Natives cannot be kept out of the cities, they must at least be confined to separate districts within the cities. Amendments to the original Act have made it easier for resolute municipalities to take swift action, and have empowered the central government to exert pressure on municipalities which are irresolute and dilatory. The results achieved have been striking. The building of Orlando, a Native location outside Johannesburg, was begun in 1924. By 1927 Orlando could house 15,000 Natives, but defects in the Urban Areas Act were holding up progress. These defects were removed by the amendment of 1930, with the result that Orlando, pushed forward by Johannesburg's vigorous department of Native administration, contained, in 1938,

¹ No. 1 of 1923: amended by No. 25 of 1930 and No. 46 of 1937.

² No. 46 of 1937, secs. 5, 12, 16, 17. And see Hon. J. D. Rheinallt Jones, 'Natives in Urban Areas', *Race Relations*, November 1937, pp. 81 ff.

35,000 houses. At the present time experts believe that this number will rapidly be doubled; some of them even dare to envisage the creation within twenty years of an Orlando containing 150,000 Native homes. But, unless the existing law is changed, the Native occupiers will not be allowed to own these homes.¹ The thought still persists that urban areas, even Native locations in urban areas, are within that 'European area' where it is unfitting that Natives should acquire property in land and dwellings. This restriction on ownership symbolizes the idea that Natives have no real part in the community life of the city, but are present in the city merely to minister to the needs of their white masters. The tie which joins them to the European residents is purely an economic one.

The economic relationship is, as we have seen, a co-operative one; but, within the general design of co-operation, conflicts arise which prevent the Native from aspiring to all the economic rewards which modern industry is wont to offer to the rural populations which it uproots and harnesses to its purposes of wealth production. There is first of all the customary opposition of interest between employers desirous of buying labour cheap and labourers desirous of selling it dear; the mining capitalists, by extinguishing competitive recruitment within their own body, have been able to weight the scales of bargaining heavily in their own favour.² Having achieved so much, they would have been disposed to give to their Native employees equality of opportunity for promotion from the lower ranks of labour. But their white employees forbade this. The economic conflict between a section of white labour and all black labour has counted far more than the economic conflict between white capital and black labour. It has been of fundamental importance in determining the economic and racial policy of South Africa.

The skilled white worker is a latecomer to South Africa. Before the mining age Capetown was the most advanced urban centre, and most of the skilled work in Capetown was in the hands of the Coloured people. In the last quarter of the nineteenth century numbers of skilled workers from overseas began to arrive. They brought with them their habits of trade-union combination; in 1881

¹ *Ibid.*, pp. 77-8, for analysis of sections 1 and 4, and the conclusion that 'the whole intention is to exclude purchase'.

² See *Report of the Transvaal Labour Commission*, Cd. 1896 of 1904, p. viii, quoting the *Annual Report of the Chamber of Mines* for 1889 on the evil effect of competition between mine managers for labour: 'The result has been a steady rise of wages all round, which is adding a very heavy additional expense to the working of the mines.' The Chamber of Mines countered this tendency in 1890, by establishing the monopolistic organization for recruiting Native labour which still exists.

the carpenters and joiners established in Capetown a branch of their British union; other skilled workers followed this lead. The Cape unions made no attempt to establish a colour bar. The principle of free entry to the unions, with equal pay for equal work and equal chances of promotion for all races, was in 1913 written into the constitution of the Cape Federation of Labour Unions. It has remained an accepted principle in Capetown to this day.

In the mining industry of the north the contrary principle was adopted. This contrast cannot be explained by 'Afrikaner race prejudice' or the theory of human inequality which was asserted in the Voortrekker Republics. The colour bar in industry originated among British workers under the Union Jack. 'It was at the diamond fields that the gate to all but low paid and unskilled labour was slammed against the native in industry.'¹ From the Kimberley diggings the colour bar was carried by English-speaking workers into the mining areas of the South African Republic. There, to be sure, the Afrikaner population readily accepted it as conforming to the pre-ordained scheme of human relationships.

But it originated as a natural product of social and economic circumstances in Kimberley. Whereas in Capetown immigrant British workers had met skilled Coloured craftsmen in an environment of urban civilization and legal equality, the British immigrants farther north met 'raw' Natives under the rough conditions of the mining frontier. There was no possibility of real contact and co-operation between white workers and black workers except on the economic ground, and even on that ground the realities were in important respects different for the two races. It was the economic principle of supply and demand which brought together white men and black men to work side by side in the creation of modern South Africa; but there was a wide diversity in the operation of the principle. 'They (the white workers) were scarce; conditions of life were, moreover, uncomfortable; and a high standard for white workers was established. . . . Native labour on the other hand was relatively plentiful, and the customary rate of pay was based on the quasi-servile tradition of native employment in agriculture, coupled with the different food regimen to which a Native was accustomed.'² These contrasting economic and social circumstances found expression in a wages-contrast which acquired symbolical significance: £1 a day for the white man, £1 a week for the Native.

If economic forces had operated without interference (but this

¹ de Kiewet, *op. cit.*, p. 59.

² *Report of the Economic and Wage Commission*, U.G. 14, 1926, para. 137.

condition is seldom, if ever, realized in actual societies), this unusual spread between the wages of different classes of labour would have been only a transitory phenomenon. The abnormalities of supply and demand would have very soon redressed themselves, and the wages gap would as a result have been narrowed. These tendencies did in fact quickly reveal themselves in South Africa. The rise of land values and the rural exodus which followed it rapidly increased the number of European workers seeking employment in mines and cities. The rapid development of the Rand tended repeatedly to outrun the supply of Native labour available in South Africa, and even in the countries to the north. Finally, the Natives trained in the mining industry ceased rapidly to be 'raw'; they responded to the economic incentive by acquiring new wants and demonstrating their capacity for new tasks.¹

The operation of these economic forces placed in jeopardy the privileged position of the white mine-workers. They defended their privilege by organizing themselves as a sectional group within the industry.² Their struggle had three objectives. First of all, they defended their £1 a day—the symbol of their racial status: as a corollary of this, they asserted the rightfulness of the existing gap between white wages and black wages. Secondly, in an attempt to establish a relationship between status and function, they demanded a monopoly of every task which could be described as 'skilled'. This was the colour bar, the denial to every black worker of opportunity to rise. Thirdly, the white miners defended their traditional share in mining employment. This was necessary because the artificially high cost of every white worker created a desire among employers to reduce their labour-cost by increasing the proportion of black workers employed.

The colour bar was the citadel of the miners' union. It became a principle of the mining regulations. The South African Republic accepted it in the eighteen-eighties; the Union of South Africa embodied it in the Mines and Works Act of 1911.³ But the white miners did not win their aim of perpetuating the traditional ratio between white labour and black without a bitter struggle, which reached its

¹ *Ibid.*, paras. 539–41: 'He (The Native) has definitely set out on the path of progress introduced by the European.' The Commission thereby rejected in substance the traditional argument of the Chamber of Mines (*ibid.*, p. 38) that the Native would not respond in the normal manner to the incentive of high wages, but would on the contrary remain in 'idleness' for longer periods.

² For the growth of white trade unionism on the Rand, and of the labour party, see Maud, *op. cit.*, pp. 79 ff.

³ Ostensibly the legislation was in the interests of safety in mines.

climax in the 'Rand Rebellion' of 1922. In the course of that long struggle the miners transferred their hatred of the capitalist to their black fellow-workers. They pictured themselves as the defenders of white civilization, banded together in a desperate fight against the 'encroachment' of barbarian blacks. In 1914, through their chosen spokesman, they stated their ideals as follows:¹

'If Australia can keep out the Chinamen . . . if Australia can, on long lines of sound policy, build up a nation on a high standard of civilisation, we have the same right here. Because the Kaffir is here already, we have no right to say it is his land. The Kaffir ousted the aboriginals ahead of him, and the Bantus ousted the Hottentots, and the Dutchmen ousted the Kaffir, and we are now trying to oust the Kaffir from those spheres of industry which we maintain are the proper sphere of the white man. . . .

'The average miner, when he comes off shift, feels the need of a stimulant, and I may state that I do not wonder at it, because when you have been down a mine for eight hours among a crowd of dirty, evil-smelling Kaffirs, working hard and using up all your mental energy, it is enough to break down the moral fibre of the average man. He feels he wants a drink. . . .

'Well, seeing that the average Kaffir is bred as a slave, he has no right to usurp our position as free men. . . . We have a right to keep the colour bar, or the ultimate consequence will be a small class of capitalists and financiers and a huge multitude of Kaffirs working as semi-slaves, but there will be no room for the white man and . . . of what good will the country be then as part of the Empire? I hold that the Kaffir should be allowed to get free, but in the interim, as he is here as a semi-slave, I have a right to fight him and oust him just as the Australians ousted the Chinamen and the Kanakas. . . .'

South Africa's national historian, if ever he should arise to tell with pride the story of how his country rejected a liberal doctrine which was foreign to her blood and soil, will not, if he is just, give all the glory to the descendants of the Voortrekkers. The triumph, if ever it be completely won, will belong in part to those sturdy British workmen who made themselves at home on South African soil. The historian will not forget their vindication of the colour bar. Nor will he omit to record that it was their labour party which first appealed to the white voters of South Africa with a full-blooded programme of racial segregation.²

¹ Cd. 7707 of 1914. *Dominions Royal Commission. Minutes of Evidence taken in the Union of South Africa in 1914*, part ii, questions 2040-2113 (Evidence of Mr. Thomas Matthews, General Secretary of the South African Miners' Union).

² *Labour Party: Constitution and Platform 1914*, section 45 (note particularly clause (f)).

Yet the appeal was only in part sincere. No party and no interest in South Africa willed the severance of those ties which bound the black man to the white man within a single economic order. The white miner received with his own wages 'surplus value' which was produced by the Native subordinates to whom he gave orders; he would not surrender that. Nor would the white miner's wife be persuaded to dispense with her Native servant.¹ The white mine-owner protested that he would have to close down if the plentiful supply of cheap Native labour were interfered with.² This was no joyful prospect for the white farmer, despite his grievance against the mines for tapping the labour supply which by right belonged to him; for without the subsidies distributed out of mining taxation the farming industry would go bankrupt. To talk of economic segregation was to utter a meaningless phrase. Every legitimate interest in the country demanded the opposite. But could a policy which was hollow at the economic centre be properly called a segregation policy? Were not those lonely rebels right who denounced existing policy as a futile thing of shreds and patches, who demanded that South Africans should be doers of the segregationist word and not merely speakers of it, who maintained that the Union would never achieve the end which it professed, but did not will, until it nerved itself to willing the necessary economic means?³ And were not those liberals right who argued that all the partial residential and occupational and legal and political separations which the legislature of an indivisible sovereignty was creating within an indivisible economy, did not when added together amount to a separation of races, but only to a racial caste system?

Once again our inquiry threatens to be diverted into disputations about verbal definition; once again we must remind ourselves that questions of degree can be no less important in policy than questions of principle. But also we recognize once again the feeling among South Africans that they have embarked upon a policy whose fulfilment is doomed to perpetual postponement and incompleteness. It is this feeling which accounts in part for the mingled notes of urgency and frustration, of violence and doubt and fear, in the segregationist propaganda. The white rulers of South Africa cannot bring their racial aspirations and their economic necessities into conformity with each other. The economic experts whose advice they seek give them little encouragement. Their cold-blooded probing wounds and threatens

¹ U.G. 14, 1926, p. 23.

² *Report of the Low Grade Mines Commission*, U.G. 16, 1932.

³ Cilliers, *op. cit.*, *passim*.

to destroy the personality which the white man has constructed for himself by the process of self-identification with his colour-group. For the patterns of co-operation and conflict which economic analysis reveals do not correspond with the patterns of co-operation and conflict which colour-consciousness composes. The economist perceives co-operation between white man and black man, conflict between white man and white man. To a policy which tries to ground itself upon racial distinction the economist's analysis is a challenge and an affront.

This challenge and affront took shape in 1926, in one of the fundamental documents of the Union's economic history, the Report of the Economic and Wage Commission. We shall set out with some care the main argument of this document, for we intend to make it our centre of reference in the section which follows.

The Report asserted that the national income of South Africa was 'the product of an intimate and indissoluble co-operation between Europeans and Natives'.¹ It went on to demonstrate that the national income was low—£43 per head of the population or (excluding the Reserves) £96 per head, as compared with £178 per head of the Australian population, £260 of the Canadian, and \$1,690 of the American. Yet the incomes of South African workers, according to the official figures, were substantially on the same level as the incomes of workers in Australia and Canada and the United States. How could the figures be true? Was it not a fact that the incomes of workers could only be paid out of the productivity of industry? And how could the low South African productivity maintain South African workers on the Australian level? The answer was that only a minority of workers in the Union enjoyed this level of reward. The high wages demanded and secured by the organized workers were balanced by the abnormally low wages paid to the unorganized, who were the great majority of workers. It was the Natives who composed this great majority.

Certainly there was nothing in this fact to shock or alarm the white trade unionists. But what of the white men who were not trade unionists? The Report declared that there was no room in industry, under its existing organization, for all the white men who desired to sell their labour.² The wages structure imposed upon industry by the white trade unions (who were originally English-speaking but were now rapidly increasing their Afrikaner membership)³ condemned

¹ U.G. 14, 1926, para. 42.

² *Ibid.*, paras. 144, 222, 336.

³ By 1936 the miners' union was approximately 90 per cent. Afrikaans-speaking. For some account of the resulting problems, see below, p. 46.

to enforced idleness and abject poverty tens of thousands of white citizens whom rural poverty was driving into the towns. Industry could afford to take on only a small proportion of them at 'the white man's standard' of £1 a day. Some of the rejects were able to find 'semi-skilled' jobs at an intermediate rate of pay. But for the great majority who could not be admitted at the £1 a day standard, there remained only the black man's standard of £1 a week. There remained, that is to say (for at £1 a week the white man in South Africa would not and could not work), no opportunity at all of industrial employment.

If this reasoning were true, the privileged whites must share responsibility for the creation of 'poor whites'. By destroying the ladder of economic opportunity in South Africa, they were depressing, not only the colour-group to which they were hostile, but a large section of the men and women within their own colour-group. It followed from this that poor whites and poor blacks were natural allies, banded together in a conflict of interest and justice against the white workers who were excluding them, denying them opportunity, condemning them to impoverishment and squalor.

Such a conclusion, had it been accepted, would have revolutionized the psychological attitudes and political alignments of South Africa. White South Africans were not ready for such a revolution. Even before the Report of the Economic and Wage Commission was published, Afrikaner nationalists and a labour party grounded on the trade unions were politically associated in the government of South Africa. Their alliance had been formed in answer to an attack on the customary ratio of white mining employment. Their coalition government rejected and was bound to reject any attempt to modify in a radical way the traditional wage-structure. But at the same time it was bound to seek other methods of fending off the forces which were creating poor whites and threatening to destroy South African standards by associating poor whites with poor blacks in the same struggle for justice. Every white man in South Africa, according to the accepted political theory, was civilized.¹ Somehow or other every white man must be given a wage sufficient to provide the essential material basis for his civilization. The Nationalist-Labour Pact set out to prove that the resources of South Africa were rich enough to pay every white man a bonus on his white skin.

¹ See above, p. 12, and below, p. 81.

III

CIVILIZED LABOUR

The use of economic policy by the governing white race as an instrument of racial defence was bound to aggravate—so the Economic and Wage Commission argued—the very evils which it sought to remedy. By hindering the efficiency both of industry and agriculture it reduced the national productivity which was the source of all private incomes; by depressing black workers in order to benefit a section of white workers, it denied opportunity and income to a section of white people also. The argument was persuasively put. If it were true, there existed an opposition of interest between the Labour Party, which was the political expression of over-privileged trade unionism, and the Nationalist Party, which was strongly supported by the poorest sections of the white population. Yet it was precisely these two parties which combined their forces in the government of 1924. So much for the influence of economic argument upon politicians.¹

The followers of General Hertzog and Colonel Creswell were determined to pursue the two objectives which the experts said were irreconcilable. They were pledged to maintain and to reinforce the existing social and industrial structure. They were at the same time

¹ Even assuming the prevailing disregard of economic theory and the preoccupation with racial feeling, the coalition between the Nationalists and Labour still remains surprising in the sense that it can be explained only by a short-term coincidence of political interest. For in the long run the preoccupation with race, which found its most forcible political expression in the Nationalist Party, was destined to accentuate not only European, but Afrikaner separatism from the other elements of South African society. This separatism threatened the solidarity of the European working class. Ten years after the Hertzog-Creswell pact, a 'purified' Nationalist Party was in existence. It denounced all the compromises and coalitions which ever since Union had wounded the unity of the Afrikaner people; it called on the Afrikaner rank and file in the trade unions to throw off their English-speaking leadership and constitute themselves as the Labour Front of a united *Volk*. It was General Hertzog's son, Dr. Albert Hertzog, who in 1938-9 was leading this movement on the Rand. Change of Leadership in the unions, as they became replenished with Afrikaner members, was a natural development. But this change was sometimes accompanied by a complete change of outlook. The South African Railways and Harbour Workers' union is an example. The Civilized Labour Policy, as we shall see below, gave it an overwhelmingly Afrikaans-speaking composition. Newly named the *Spoor Bond*, it manifested an ardently Nationalist ideology. The cultural associations affiliated to it were responsible for starting the Voortrekker celebrations of 1938; these manifested and intensified the separateness of emotional self-consciousness in the Afrikaans-speaking section of the European population. The blow to English-speaking and Afrikaans-speaking collaboration in industry and politics was revealed early in 1939, when some Afrikaner leaders seceded from the Labour party and joined the Nationalist party.

pledged to give to every white man in South Africa a 'civilized standard' of living.

This 'civilized standard' was a very relative concept. To the white miners it meant the old £1 a day standard and the accretions of benefit which the years had added; to the 'failures of agriculture' it sometimes meant a wage no higher than 3s. 6d. a day.¹ Nevertheless, the political representatives of these two widely separated sections of the white population pursued their separate ends with emotional harmony and identical expressions of purpose. It was the Mines and Works Bill which mattered most to the Labour Party. The intention of this Bill was to reimpose and reinforce the colour bar restrictions, which the Chamber of Mines and a decision of the provincial judicature had placed in jeopardy. The debates on this Bill are instructive.² The minister in charge of it asserted that it intended no injustice to the black man, but that self-preservation was the first law of nature, and that white civilization must defend itself. 'This is a white man's country', interjected a Nationalist back-bencher. 'Our present Prime Minister', another back-bencher explained, 'will tolerate no injustice to any section of the community unless he is absolutely certain that it is for the good of the white man.' A Labour member asserted, more pugnaciously, that the Natives had no 'rights' except those which the superior race chose to concede. These statements and ejaculations reveal the feeling that 'civilization' and 'whiteness' are aspects of the same thing. But the feeling was unable to achieve simple and satisfactory expression in terms of legislation. The benefits of civilization contained in the Mines and Works Act of 1926 were in theory open to the Cape Coloured people no less than to the Europeans. Only Natives and Indians were excluded from them. A colour bar which erects no barrier against 'the Coloured' seems distinctly odd! The explanation of this anomaly is to be found in the Cape.

¹ In 1931 subsidies were granted through the Department of Labour to Municipalities to enable them to pay wages at the following civilized standard: Class A, 6s. a day; Class B, 5s. to 3s. 6d. a day. On the relativity of 'civilized standard' see *Economic and Wage Commission*, para. 332. 'The term "civilized" would appear to be a variant of "living" or "reasonable" as applied to a European in South Africa. So far as we were able to follow the witnesses who used the term, they meant by it the standard represented by the highest wage earned by a skilled artisan in one of the higher wage-centres of the country. If this be its meaning it is obviously a misnomer; for the level of real wages in such civilized countries as Belgium, Germany and Italy is only half, or less than half, that of the white artisan in South Africa.' Cf. *Industrial Legislation Commission*, U.G. 37, 1935, para. 86: 'It is common to speak of a "civilized standard" and of a "living wage". But what that standard is, it is impossible to determine as there is no one and only "civilized" or "living" standard.'

² See *J.P.E.*, vol. vi, 375 ff., and Mines and Works Act, No. 25 of 1926.

tradition, and in the historical association of the Cape Coloured community with the European as a kind of poor relation. The segregationist impulse had not in the nineteen-twenties acquired sufficient momentum to offer an open challenge to this historical relationship.¹ The real drive and direction of the white man's purpose was to some extent concealed behind the façade of a legal theory and terminology which survived from the liberal past.

The same conflict between real intention and theoretical statement can be observed in the collection of expedients which were designed to help that numerous and unfortunate section of the white population which had drifted from the country and had failed to find secure anchorage in the towns. This class was the particular concern of the Nationalist party, and the expedients adopted for its relief and rehabilitation were the chief expression of the 'Civilized Labour Policy'. In substance the policy was one of European defence; but in deference to a tradition which still retained influence and prestige, politicians and administrators formulated it in non-racial terms—except when they were off their guard.

A circular issued from the Prime Minister's office on 31st October 1924 defined civilized and uncivilized labour as follows:

'Civilized labour is to be considered as the labour rendered by persons whose standard of living conforms to the standard generally recognized as tolerable from the European standpoint. Uncivilized labour is to be regarded as the labour rendered by persons whose aim is restricted to the bare requirements of the necessities of life as understood among barbarous and undeveloped peoples.'²

This was a most skilful definition. On the one hand, it was consistent with the recognition of a standard to which men of all races might attain; on the other hand, it was consistent with the belief that 'the barbarous and undeveloped peoples' of South Africa ought to be quite satisfied with the low economic standards belonging to their traditional way of life. It diverted attention from the contention that the gap between skilled and unskilled wages was the root cause of the poor white problem; it suggested that the problem might be solved by fitting Europeans into jobs which non-Europeans had hitherto performed at lower rates of pay. This was not a new policy;³ it was the determination to pursue it on the grand scale which was new.

The chief administrative instrument of the Civilized Labour Policy

¹ Cf. the Coloured Persons' Rights Bill introduced in 1926 by General Hertzog contemporaneously with his Native land and franchise measures.

² Quoted U.G. 54, 1937, para. 158.

³ Grosskopf, *op. cit.*, p. 193.

was the newly created Department of Labour. Officials of that department were sometimes embarrassed and confused by the need to define their objective; they found it difficult to maintain the high level of diplomatic explanation contained in the circular of 31st October 1924. After ten years of experience they still showed themselves quite capable of offering, within the space of a few months, completely conflicting definitions. 'The expression "civilized labour"', said an official statement of 2nd May 1934, 'is not regarded as including Native workers.' 'Natives are excluded', declared the departmental inspector at Durban. But when the department was challenged with the accusation that it was adopting a racial test of civilization, it affected injured innocence. On the 20th September 1934 it stated that it was prepared to include some individual Natives among the civilized.¹ It had always included the Cape Coloured people. Ministerial exponents of the policy, however, still referred to it as 'the policy of European or civilized labour'. The administration of the South African Railways and Harbours regularly and without apology reported on the progress of its 'white labour policy'.

The definition of the policy still remains confused; but its historical outlines can be clearly sketched. The government inaugurated it in October 1924 by instructing all departments to give to 'civilized labour' an increasing share of the jobs which were available. It secured co-operation along the same lines from the administration of the South African Railways and Harbours.² It brought the municipal councils into the plan. It extended its efforts into the sphere of private industry. The methods which it adopted varied according to circumstances. A good deal of the subsidized employment made available by public departments and municipalities during the economic depression may be regarded as an emergency public works programme; the expenditure on projects of railway construction, soil conservation, and the eradication of noxious weeds frequently possessed both a short-term and a long-term economic justification. But the social results of this expenditure appeared disappointing. In the course of time the government came to understand that financial subsidy would not by itself suffice for the rehabilitation of the poor white population. It therefore created a new Department of Social Welfare to co-ordinate the efforts of those public bodies and voluntary

¹ See *Race Relations*, November 1935, pp. 55-61.

² See *Special Bulletin*, No. 135, 1929. 'European Labour on the S.A.R. and H.' And cf. note on p. 46. Grosskopf, *op. cit.*, p. 96, estimated that 95 per cent. of the thousands of men employed by the railway in accordance with this policy were of Dutch origin.

societies which were attacking the problem on the educational or social side.¹ But it continued to concentrate its energy on the attempt to substitute 'civilized' for 'uncivilized' labour. The Department of Labour, in its dealings with public bodies like the municipalities or the railways administration, allocated subsidies with the purpose of relieving the burden of increased wages-costs which the policy of labour substitution imposed upon them. In dealing with private industry it adopted different tactics. The protectionist tariff of 1925 enabled it to bring pressure upon employers; it could make the benefits of protection, or of its mitigations (for example, in the importation of necessary raw materials), conditional upon the willingness of firms to increase the proportion of 'civilized' labour in their establishments. In addition, it employed the method of persuasion. Year by year its printed reports testified to the zeal with which it pressed upon frequently reluctant employers the duty of making alterations in their personnel and increases in their wages bills. Throughout the economic fluctuations of the nineteen-thirties, its policy remained constant towards the same end. When times were bad, it emphasized the urgent need of increasing the ratio of 'civilized' employees. When good times returned, it emphasized the fortunate opportunity for doing the same thing.²

Looking back in 1938 on its achievements during the previous five years the Department of Labour expressed itself well satisfied. It claimed that it had secured 'placement' in employment for 169,669 Europeans and 22,938 Coloured workers. It did not doubt that the poorer section of the European community was well on the upward grade of economic and social rehabilitation. Unfortunately, a special commission of investigation had recently reported that the whole Coloured community was on the downward grade. The Department of Labour accepted this conclusion as a correct one. . . .³ Is it not strange that fourteen years of the Civilized Labour Policy should so

¹ In 1935 a sub-department of social welfare was created within the Department of Labour. This was a sequel to the publication of the report of the *Carnegie Commission of Investigation on the Poor White Problem of South Africa*, and of the conferences which followed. In 1937 the sub-department became a full Department. It performed many miscellaneous functions (administration of the Children's Act, of Invalidity Pensions, of the Blind Persons' Act, &c.), in addition to the work which bears directly on the 'Poor White' Problem.

² *Report of the Department of Labour for the Year ended December 1934*, U.G. No. 11, 1936, p. 11. 'With the return of improved economic conditions, the occasion appeared favourable for the introduction of a higher proportion of civilized labour in industry and commerce.' The paragraph above is based on the complete series of annual reports.

³ *Report for the Year ended December 1937*, U.G. 30, 1938, pp. 4, 20; and *Report of Commission of Inquiry on the Cape Coloured Population*, U.G. 34, 1937.

diversely affect the condition of those two sections of the population which, so the Department protested, it ranked together as civilized?

It is time to inquire how the efforts of the government to make new places in public and private employment for European workers had affected the position and opportunity of non-European workers. Inquiries of this kind cannot be conducted with the strictest statistical accuracy, because the changes which are observed are very seldom the product of a single cause. To consider first the Coloured population; its condition was a complicated one. It was suffering during this period from the competition both of the higher-standard Europeans and the lower-standard Natives. It is not possible to measure accurately the extent to which governmental policy in intensifying the first element of competition was compensated by governmental policy in mitigating the second. With regard to the Indians, the problem of measurement is less complicated. For although they, too, were suffering from the double competition, the Department of Labour did not even pretend, in the figures which it published, that it was operating the Civilized Labour Policy with the purpose of increasing Indian employment. The effects of the policy upon the Indian community were wholly injurious; it sought to defend itself by protest and by invoking the aid of the Indian Agent-General.¹ The Natives had no such defence. And since the natural operation of economic forces was tending to increase the Native share of unskilled work in all branches of industry, it may on the whole be safely concluded that a diminution of their share in any particular branch of industry was the direct result of public policy. This certainly must be true of great public enterprises like the railways.

The table shows that the policy inaugurated by the Nationalist-Labour government in 1924 immediately and emphatically increased the European share in railway employment, and that it again increased the European share during the depression. The Native share decreased correspondingly, but showed some recovery during the middle nineteen-thirties, when Europeans had less trouble in finding employment in other branches of industry, and the increase of railway business created a new demand for Native labourers. The Indian share of employment steadily decreased throughout the whole period. The share of the Coloured people fluctuated, and in 1936 was proportionately as high as it had been in 1924. During the depression, however,

¹ See this *Survey*, vol. i, ch. iv, section iv. It should be stated that the efforts of private citizens working through the Joint Councils had some effect in mitigating the hard effects of the Civilized Labour Policy on the Indians, e.g. in Durban docks. In recent years shortage of labour has led to a reversal of policy and Indians have again been taken into employment.

when the Coloured workers most needed help, they were made to bear some part of the sacrifice of employment imposed upon non-Europeans for the benefit of Europeans.

*Labouring Staff of the South African Railways and Harbours
in Selected Years¹*

Year	Europeans		Natives		Indians		Coloured		Total
	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total	
1924	4,760	9.5	37,564	75.0	2,113	4.2	5,628	11.3	50,065
1925	10,750	19.7	36,164	66.4	2,001	3.7	5,461	10.2	54,456
1929	16,248	28.7	31,600	55.9	1,002	1.8	7,669	13.6	56,519
1933	14,736	39.3	22,008	48.9	682	1.5	4,387	10.3	45,036
	2,947*						276*		
1936	17,300	28.9	38,645	57.8	534	0.8	6,972	11.3	65,113
	1,689*						332*		

* Labourers at wages subsidized by the Department of Labour.

The trend of change in the shares of employment belonging to the various races (though not of course the actual numbers or percentages of those employed) was broadly similar in other spheres of governmental enterprise and in municipal activities. In private manufacturing enterprise a similar trend may be observed.

Ratio of European to Non-European Employment in Factories

	Europeans	Non-Europeans
1917-18 . . .	36.8 per cent.	63.2 per cent.
1921-2 . . .	35.0 "	65.0 "
1927-8 . . .	40.90 "	59.10 "
1932-3 . . .	45.29 "	54.71 "
1934-5 . . .	43.62 "	56.38 "

Again it is apparent that the white workers increased their share of employment during the depression; they maintained their numbers in the factories while all the other races were losing employment. Broadly it may be said that the Natives were then being pushed back into agricultural and mining employment (which many South Africans believe to be their proper place). With the return of boom conditions in secondary industry, however, they began once again to recover the share of industrial employment which they had lost. The Indian community was less resilient. Whereas in 1918 there were 12,313 Indians employed in secondary industry, in 1936 the number was only 10,956, although the Indian population had increased by 35 per cent. during that period. The Indians were being forced increasingly

¹ Based upon the Table in U.G. 34, 1937, para. 217.

on to the narrow economic ground of retail trade where they were hemmed in by provincial and municipal restriction.¹ The Coloured population, as we shall see later, was being forced downwards as white men increasingly took possession of the skilled trades which once had depended almost entirely upon Coloured artisans.

These changes, so far as they went, seemed definitely to the advantage of the European population. But did they go far enough to solve the problem which the European legislature and government had set out to solve? The aim of public policy was to establish a 'civilized standard' for all Europeans, and thereby to abolish the reproach of 'poor whiteism'. But it was difficult to measure the statistical dimensions of the task which had to be completed. The Carnegie Commission on poor whites insisted that the problem was not merely one of employment. In 1926, for example, when the figures of recorded unemployment were trifling, the problem of the 'poor whites' was without doubt a very serious one. A questionnaire circulated to half the European schools in 1929, when economic conditions were very favourable, produced replies which suggested that 300,000 of the white people of South Africa—about one-sixth of the European population—were 'very poor'. It would most certainly have been wrong to describe all these very poor people as 'poor whites', if that epithet were used to connote a physical or moral degeneration. Nevertheless, a very large number of them were certainly not enjoying that 'civilized standard' which the government was seeking to guarantee to all Europeans. Did the efforts of government during the period 1929-39 succeed in making the guarantee effective? Or, if the task was not then completed, how much still remains to be done? And what are the prospects of eventual success?

It would need a new Carnegie investigation to find the answer to these questions. A history of policy can do no more than trace the lines of action and discussion which have helped to decide the issue. But the relevancy of action and discussion must not be too narrowly conceived. The Civilized Labour Policy is not the only activity of the State which has affected the destiny of those Europeans who are 'very poor'. It is necessary to consider employment policies as a whole, beginning with those policies which, whether by accident or design, have protected the standards of the privileged workers.

Let us begin with the apprenticeship system. It was brought into being by an Act of 1922.² It has certainly increased the proportion

¹ See report of Natal Indian Conference, 1938: paper on industrial legislation. Also this *Survey*, vol. i, ch. iv, section iv.

² The origins of the system and its later development are summarized by the *Industrial Relations Commission*, U.G. 37, 1935, chap. xi.

of white employment in the skilled trades. This increase has occurred at the expense of the Cape Coloured population, whose tradition of fine workmanship is attested by the beautiful architecture and furniture of old Capetown. There is no evidence of a deliberately planned attack on the position of the Coloured artisans. The Act of 1922 imposed no colour bar. Its purpose was to furnish South African industry with the skilled workers which it needed. It empowered the Minister to appoint for any trade in any area an apprenticeship committee representative both of the employers and the employees, and it instructed apprenticeship committees to recommend to the Minister proper conditions with regard to the period of apprenticeship, the rates of pay, the type of training, the number of apprentices permitted in any workshop, and their educational qualifications. These conditions became binding upon employers after the Minister had accepted them and published them. Employers were also bound not to engage any apprentice until the committee had satisfied itself that the contract of apprenticeship was in order. In principle, this system was a sound one. In operation, certain abuses became apparent. The representation of employees on the committees was too often weak, with the result that employers were sometimes able to secure juvenile workers at low rates of pay, and thereafter to give them inadequate training.¹ Grievances against the employers, however, were not the chief preoccupation of the European workers. A growing section of them (and this was true even in the Cape Province)² were more concerned about their racial supremacy than about their working-class solidarity. As for the employers, they were almost exclusively Europeans. It was perhaps natural that they should choose European boys in preference to Coloured boys—even if the apprenticeship committees did not urge this choice upon them³—when there was no difference between their qualifications. But very frequently there was a difference in their qualifications. The Coloured boys were regularly falling short of the educational standards laid down by the apprenticeship committees. In March 1939, 42 committees were in existence; they had laid down conditions of apprenticeship for 41 trades.⁴ In 27 of these trades the educational

¹ *Ibid.*, para. 715. 'All is not well with the apprenticeship committees.'

² In 1938 an official of the Cape Federation of Labour Unions, who took considerable pride in the non-racial tradition of his organization, told the writer with some satisfaction that the colour-bar spirit had got no nearer than Paarl. It was as if the Belgians had congratulated themselves early in August 1914 that the Germans were no nearer than Liège!

³ See U.G. 54, 1937, paras. 274, 275.

⁴ I take these facts from a statement kindly prepared for me by the Secretary of the Department of Labour.

qualification demanded of apprentices was that of Standard 6 in the schools; in 9 trades, Standard 7 was demanded; in 2 trades, Standard 8; in 3 trades, Standard 9. The age qualification was sometimes 15 and sometimes 16. But nearly all Coloured boys left school before reaching this age. The majority of schools for the Coloured did not have classes beyond Standard 6; some of the schools did not go even so far as Standard 6. The apprenticeship committees did well to fix their standards high; for high standards make better craftsmen, and should make better citizens. The white community also did well—assuming that it welcomed the disappearance of Coloured craftsmen from those skilled occupations of which they had once been the support—to refuse to Coloured children the opportunity of getting an adequate education.¹

The apprenticeship system reveals some features of the phenomenon which economists call joint monopoly. This result has been achieved by racial bias, operating within a system which in theory excludes this kind of bias. Similar results have been achieved in the wage-fixing system of the Union; but they have been achieved by different methods. One part of the wage-fixing machinery, namely the organization of employers and employed in Industrial Councils, makes explicit provision for differences of race. The other part, namely the Wages Board, purports to ignore racial distinctions. We shall consider each part in turn.

We have already seen how the white miners of South Africa received originally a scarcity payment for their labour, and how they combined to defend their payment and their employment when the factor of scarcity ceased to operate. Their struggle reached its climax in the 'Rand rebellion' of 1922. This catastrophe convinced both the employers and the State that it would be less costly to come to terms with the European unions than to challenge them. In 1924 parliament passed the Industrial Conciliation Act.² Its object was to establish peace in industry—not merely in the mining industry,

¹ U.G. 54, 1937, paras. 262–78. Cf. Leslie, 'Coloured Labour and Trade Unionism in Cape Town', *Journal of Economic Society of S.A.*, vol. iii (1930), p. 57. Prof. Leslie, after analysing the situation, found 'some justification for the view . . . that within fifteen years the Coloured man will have disappeared from the skilled trades'. It should, however, be noted that there has recently been some improvement of the education given to the Coloured children in the schools into which they are segregated. Marais, *op. cit.*, p. 273. Finally, I may quote two South African comments on the above paragraph. One commentator writes: 'This suggests that the reason why adequate educational facilities were not provided for Coloured children was the desire to exclude them from apprenticeship. This is unfair.' The other commentator points out that apprenticeship committees demand concurrent attendance at a technical college, and that the Cape Technical College alone is open to Coloured students.

² Act No. 11 of 1924, amended by No. 20 of 1930, No. 7 of 1933.

but in all the other branches of employment to which the organization and high standards of the miners had spread. The means which it adopted was 'industrial self-government'—that is to say, the regulation of labour conditions by joint councils representing the employers' organizations and the organizations of the white minority of employees. This system of industrial regulation represented a judicious balance between governmental oversight and industrial initiative. It was the part of the employers and employees to form their organizations; it was the part of the Minister of Labour to accord them recognition. It was on the initiative of the recognized organizations that an industrial council was brought into existence; but again it belonged to the Minister to accept or reject its constitution. Finally, the industrial councils were empowered to make agreements on matters of mutual interest to employers and employees; the agreements became binding determinations when they were gazetted by the Minister. The Act also provided alternative procedures of conciliation and arbitration to meet the circumstances of industries which had not been able to establish industrial councils, or had not been able through their councils to guide their feet into the way of peace.

The Industrial Conciliation Act professed to offer to employers and employees all the advantages of the Whitley system. It put responsibility upon the leaders of capital and labour, but retained for the State the right to exercise oversight on behalf of the common weal.¹ This surely was a healthy partnership—the initiative inside the industry, but guidance, encouragement, and, if necessary, correction proceeding from an interested and kindly disposed government. After ten years of trial the partners in the experiment were prepared to congratulate each other on its success. Some trade unionists, it is true, grumbled that the increase in union membership was no compensation for the decline in anti-capitalist militancy; but the majority of employees agreed with their employers and the government in approving the new order of industrial peace.² After all, what reason had they for militancy? The £1 a day standard for miners, which once had been a symbol and a battle-cry, had not only been maintained, but improved upon.³

¹ Cf. U.G. 37, 1935, para. 391: 'Industrial Councils are virtually subordinate legislative bodies.' And para. 417: 'In asking that legal force be given to the terms of an agreement, an industrial council in effect requests the State to make an infringement of any condition thereof a criminal offence.' The Act did not, except in the case of essential services, prohibit strikes and lock-outs; but it compelled employers and employees to seek agreement through the procedure of an industrial council or conciliation board before having resort to the crude weapons of industrial struggle.

² U.G. 37, 1935, paras. 307, 308, 350, 351.

³ In 1935 the average money wage of European mine-workers (excluding officials)

Who were these quite satisfied employees? In 1934, 95 trade unions were registered under the Industrial Conciliation Act; the total membership of these trade unions was 88,973.¹ Except in the Cape Province and Natal the membership was almost exclusively confined to white men. Some of the northern unions, it is true, had 'open' constitutions; all the same, they did not in practice admit non-Europeans. But this European working-class exclusiveness was not merely a product of trade-union initiative. The State itself had sanctioned it, had commanded it. The definition of an 'employee' in the Industrial Conciliation Act expressly excluded Indians under indenture (a diminishing class) and workers whose contracts of service were regulated by Native Pass Laws or the Labour Regulation Act of 1911. This exclusion comprehended the whole body of Native workers everywhere except in the Cape Province, where Natives were not compelled to carry passes. It is true that the Natives could form associations of their own. But if they did so, the State would not recognize them. It is true that they had the theoretical right of entry into those unions which had 'open' constitutions. But if any such union gave to a Native in practice what was due to him in theory, the State would cease to recognize it as an organization qualified to play its part in the system of industrial self-government.² Industrial self-government therefore meant in practice and in theory government by the skilled workers of the unskilled workers, by the white workers of the black workers, by the represented workers of the unrepresented workers. South Africa's industrial democracy, like her political democracy, excluded the masses.

In the original act of 1924 this system fell short of perfection. The white trade unions and the employers' associations established their industrial councils, and in these councils agreed with each other on 'matters of common concern'. They agreed about wages, conditions of labour, paid holidays, and the like. But the standards which they

was 22s. 6d. a day. The non-monetary wage included such items as a non-contributory provident fund, 3 to 4 weeks' annual holiday with pay, sick benefits, and a phthisis compensation fund at the rate of 6s. 6d. per shift. Native miners' wages, on the other hand, had on the money side undergone little change since the establishment of combination in the purchase of labour in the eighteen-nineties had checked their natural tendency to rise. Up till 1929 there was a gradual rise; after 1929 a fall; by 1935 recovery. The non-monetary wage (food, health, compound accommodation) had greatly improved. Generally the monetary wage to-day is about 2s. 2d. per shift; the non-monetary wage 1s. 5d. per day. Total wage 3s. 6d. to 3s. 8d. per day. When monetary and non-monetary wages are considered together it is plain that the gap between skilled (=white) and unskilled (=native) wages has grown wider.

¹ U.G. 37, 1935, table in para. 341. Not all these recognized unions had joined with employers to form industrial councils. In 1925 there were two industrial councils; in 1930, 38; in 1931, 43; in 1935, 38 (*ibid.*, para. 371).

² U.G. 37, 1935, para. 362.

established were the standards of 'employees' only. Thus the old trouble about ratios came once again to the front. 'Employers of the less reputable type'¹ decided that 'employees' were too expensive; it would pay to dispense with many of them and put Natives in their place. The joint monopoly threatened to break down because one of the parties to it found it profitable to disregard the spirit, if not the letter, of its law. The watchful and helpful State therefore intervened to tighten the meshes of the law. Two courses of action were open to it. It might have brought pass-bearing Natives within the definition of 'employees'; this would have been the simplest way of enabling industrial councils to legislate for Native wages and conditions. But 'reasons of public policy' forbade such a direct solution of the difficulty. The amending Act of 1930 adopted the alternative solution of enlarging the powers of the represented workers to govern the unrepresented. It empowered industrial councils to report to the Minister that the objects of their agreements were being defeated, or were likely to be defeated, by the employment of workers belonging to the excluded classes. A council which reported in this sense would be authorized to bring Native wages and hours within the scope of its agreements, although here as elsewhere its decisions would not become binding until they had been accepted and published by the Minister. This amendment safeguarded the position of white workers by enabling them to counter the machinations of 'employers of the less reputable type' with the threat of an increased bill for Native wages and a diminished profit from labour substitution. The white workers nevertheless considered even this safeguard an insufficient one. They demanded that industrial councils be given the power of including in their agreements the ratio to be observed between 'employees' and other classes of labour.²

Our examination of the industrial council system has suggested throughout that its drive and intention were towards maintaining the standards of the highly organized and privileged workers, and therefore (since the high wages and low wages paid by South African industry are complementary phenomena) perpetuating the low standards of the non-European masses. If this suggestion is true, the industrial councils were defending that very feature of the South African economy—namely the abnormal spread between skilled and unskilled wages—which the Economic and Wage Commission had designated as the chief menace to the country's prosperity and welfare. The suggestion is in general justified by the facts. It does not, however, contain the whole truth. While the original bias of the

¹ U.G. 37, 1935, para. 441.

² *Ibid.*, para. 444.

industrial council system was on the whole maintained and in some respects aggravated, some attempts at mitigating it were also made. The grant of power to industrial councils to recommend wages and conditions for non-European labour represented, in one aspect, an attempt to protect the privileged white workers against labour substitution; but in another aspect it represented a genuine effort to improve the condition of Native workers. Here the Department of Labour took a hand. An amendment to the Act gave it power to send an official to meetings of industrial councils, to watch over the interests of the unrepresented workers.¹ Moreover, successive Ministers of Labour made it their policy to refuse endorsement to industrial council agreements which, in their opinion, failed to make proper provision for the interests of non-European workers. Towards the end of the nineteen-thirties the Ministry of Labour even showed a disposition to give positive encouragement to Native trade unionism. To be sure, it was prudence rather than magnanimity which was creating this new disposition. Native trade unions were already functioning without State recognition—as by law they were entitled to do.² Some of them showed signs of vitality and vigour. The government feared that they might become subversive, if left to themselves. It began to favour some kind of recognition of Native organizations, as a means of imposing upon them salutary guidance and control.³

There was one institution of economic regulation which from the beginning had been willing to give formal equality of treatment to Native workers. This was the Wage Board. It represented a different aspect of policy from any which we have so far considered. It was

¹ *Ibid.*, paras. 389, 390. The Industrial Legislation Commission in fact recommended that two officials should be permitted to attend industrial councils, and that one of them should be from the Native Affairs Department.

² Section 25 of the Wage Act protected all members of workers' associations, irrespective of their colour, against victimization because of their membership.

³ See Hon. H. G. Lawrence, M.P., Minister of Labour, 'The Native in Industry', in *Race Relations*, vol. vi, no. 2 (1939), p. 50: 'Very often the activities of present-day organizers of Native workers are open to grave objection; it is exceedingly dangerous to allow individuals to handle such material without any check on their *bona fides*. . . . The question of affording some form of non-statutory recognition to Native workers' organizations, subject to their complying with conditions to be formulated, is under consideration.' In the same address, the Minister stated that there were 16 Native workers' organizations on the Witwatersrand, and some 28 to 30 in the Union (cf. *Report of Dept. of Labour*, U.G. 30, 1938, pp. 3-4). It may be added that a considerable number of these organizations had little more than a nominal existence. Among the ones which were really alive there were differences of policy, notably as to the conditions under which they would be prepared to associate with the European trade unions, should any offer from the European side be made to them. The different policies reflected different degrees of suspicion. As for the day-to-day work of the organizers, a good deal of it was given a focus by the opportunity which they possessed of appearing before the Wage Board.

an instrument of which the economic experts, or at least some of them, were prepared to approve. The Economic and Wage Commission had emphasized the great gap between the wages of skilled and unskilled workers as a peculiarity of South African industry and a cause of many South African misfortunes, including the poor-white evil. Neither the Industrial Conciliation Act, nor the Apprenticeship Act, nor the Civilized Labour Policy, had done anything effective to close this gap: on the contrary, their main intention and effect had been, as we have seen, very different. They had been concerned primarily with the interests of special sections of the white population—with defending the large privileges of one section, and creating compensations for a less fortunate section. The Economic and Wage Commission, however, had emphasized the importance of improving the condition of the masses. And it had recommended the establishment of a wage-fixing authority as a means of achieving this end.

The Wage Act of 1925 established this authority. It completed the wage-regulation system of the Union by making provision for all those workers (excepting workers in agriculture, domestic servants, and some classes of public employees or railway and harbour employees) who were not provided for by the Industrial Conciliation Act.¹ Whereas the Industrial Conciliation Act established a voluntary system for regulating the conditions of labour, the Wage Act established a compulsory system. The former act operated in that section of industry where workers were sufficiently organized to join with employers in setting up industrial councils. The latter act operated in the unorganized industries and trades. It established a Wage Board and conferred upon it the power to undertake searching investigations into the existing and customary conditions of employment in any industry, its capacity to pay a given rate of wages, the cost of living, and any other matters which were relevant to the reward of labour. Such an investigation might be initiated in two ways, either by direction of the Minister of Labour, or on the application of employers or employees who in the judgement of the Board appeared to be 'sufficiently representative'. If the investigation was by the direction of the Minister, the Board submitted a recommendation to him. If it followed an application from within the industry, the Board submitted a report. The final decision lay always with the Minister. His decision, when published, became a wage determination, legally binding upon all persons in the industry under penalty of a fine not exceeding £100.

Experience revealed some definite weaknesses in the operation of

¹ Act No. 27 of 1925, and U.G. 37, 1935, paras. 124, 498 ff.

these procedures. In the first place, they proved to be dilatory; the Wage Board fell far short of the calls made upon it. In the second place, there was very inadequate machinery for enforcing wage determinations; evasion was a notorious and widespread evil. In the third place, the method of investigating and determining by areas imposed a competitive disability on industry in the regulated areas.¹ These faults were serious, but remediable; none of them invalidated the principle of the Wage Act. In principle it had an outstanding merit. It rejected the exclusive definition of an 'employee'. The Wage Board was bound to give a hearing to the representatives of white workers, or black workers, or an association containing all the races. 'Employees cannot be classified', the Board declared, 'as Natives or non-Natives, although they may rightly be classified as skilled or unskilled.' And it declared again, 'We have tried on every occasion . . . to make it clear that we are not proposing to operate as a colour bar body. We want to fix wages for particular jobs, and if a Native or a Coloured person is trained so as to be able to perform those jobs, then that Coloured person must be paid the same rate as would be paid to a white man in that particular job.'²

Thus there existed, in the industrial and wages system of South Africa, the conflicting principles of racial preference and racial impartiality. The Wage Board represented the latter principle; but it may be doubted whether it succeeded (in its early years, at least) in mitigating the operation of the former. An expert committee which reviewed the first ten years of the Board's activities believed that they had actually reinforced the action of racial preference as expressed in the Civilized Labour Policy. It reported that Wage Board Determinations had helped to increase the European share of industrial employment at the expense of Native workers.³ This was clean contrary to the intention of the Economic and Wage Commission. It was not the deliberate intention of the Wage Board. How had it come to pass?

Some South African economists are prepared to argue that wage regulation always *must* benefit groups of privileged workers at the expense of the masses. Competitive capitalism, they maintain, is always working (contrary to the general assumption) to raise the poor and break down privilege; but wage regulation is an instrument for protecting customary group standards against this tendency. 'The

¹ *Ibid.*, paras. 485 ff., 511 ff., 525 ff.

² *Report to the Hon. the Minister of Labour by the Wage Board upon the work of the Board for the Three Years ended 28th February 1929*, paras. 30, 56-7.

³ U.G. 37, 1935, paras. 238-40.

question comes down to this: Is there an exploitable poorer class?'¹ This drastic conclusion is a natural one for South African economists to arrive at. But it is doubtful whether a single Australian economist would accept it. Australia is distinguished both by its far-reaching adoption of wage regulation and by the narrowness of the gap separating the wages of its skilled and unskilled workers. Students of Australian conditions are almost unanimous in believing that the regulation of wages by public tribunals has played a real part in providing for the masses that 'living wage', those 'fair and reasonable' conditions of life, which are the ideal of Australian democracy. If this is true, the very different results achieved in South Africa cannot be regarded as an inevitable result of the principle of wage regulation: rather must they be due to the special applications of that principle within a contrasted economic and political environment.

The actual practice of the South African Wage Board between 1926 and 1935 had very little in common with the practice of wage-fixing in Australia, which is consistently governed by the idea of a 'basic' wage, representing the normal needs of a working-class family, needs which must at all costs be met. The Economic and Wage Commission did not venture to recommend Australian practice for South Africa's imitation; but it did advise a planned and persistent attack on low wages, which would in time (but not too suddenly) raise the standard of the unskilled throughout the whole of industry. The Wage Board, however, contented itself for a long time with restricted and fragmentary investigations. It devoted much of its energy to fixing intermediate rates for the 'semi-skilled'. In this way it added to the number of narrow shelves on which 'civilized labour' might be accommodated, and made it easier for government policy and social pressure to put Europeans into jobs hitherto held by Natives. For many years the Wage Board made no serious attempt to lift up the great mass of unskilled Native workers. By the 31st May 1935 it had completed 54 investigations. On that date 19 wage determinations were operating. These determinations covered approximately 14,284 employers and 72,285 employees. Of these employees, 46,098 were engaged in a single trade, the commercial distributive trade. One wage determination only suggested a determined concentration of effort on the lowest wage group. This was the determination which fixed the wages of unskilled workers in Bloemfontein at 3s. 6d. per day. It affected 5,232 Native workers.²

¹ W. H. Hutt, 'Logical issues in the study of industrial legislation in the Union', *S.A. Journal of Economics*, vol. iii (1935), pp. 26 ff.

² Wage determination No. 25.

We have now completed our survey of the Union's wage and employment policies up to the year 1935. The general direction of these policies is clear. The Mines and Works Act had openly reasserted and reinforced the colour bar. The apprenticeship legislation, less deliberately but very effectively, had hastened the process by which Europeans were ousting Coloured craftsmen from the skilled trades of the Cape Province. The industrial council system throughout the Union had defended and enlarged the quasi-monopolistic privileges of the highly organized European workers. The Civilized Labour Policy had come to the rescue of a less fortunate section of the European population, and had found unskilled work for tens of thousands of white men, at wages far higher than the prevailing rate for unskilled labour. The same policy had found lodgement for a smaller number of Europeans in the 'semi-skilled' occupations which were beginning to give some diversity to the wage structure of South Africa. Even the Wage Board, despite its sincere profession of racial impartiality, had played some part in furthering a policy which was governed by the impulse of racial discrimination. No doubt there were mitigations of the rigour of that policy. Wage determinations and industrial council agreements were attempting increasingly to do something for the lowest paid workers. But in 1935, ten years after the report of the Economic and Wage Commission, there was very little sign of the policy which that Commission had so emphatically recommended—a policy which would narrow the gap between the living standards of the organized minority of workers and the unorganized masses.

It was not the reasoning of economic investigators, but the impulses and notions of the ordinary white South African voter, which determined South African policy. At bottom that policy was protectionist. We should be making a mistake if we looked upon it as abnormal. We should be making a still bigger mistake if we looked upon it as unusually sinful. It certainly represented a departure from both the economic and racial assumptions of nineteenth-century liberalism. But South Africans were not the only people who were making this departure: very similar changes were taking place in many countries. There was some justification for the crude Labour leaders of the Rand who appealed to the example of Australia.¹ The Australians cried 'White Australia', and the South Africans cried 'White South Africa'. There was no difference between the impulses which expressed themselves in these cries. The difference was between the situation of the South Africans and the Australians. The Australians wished to protect their customary economic and social standards. So

¹ See p. 42 above.

did the white South Africans. The Australians believed that the danger to these standards came principally from peoples of a different race and colour. So did the white South Africans. But the danger which the Australians feared was an external one. Their defence against it took the form of protective tariffs and immigration restriction laws. The danger which the South Africans feared was an internal one. The races which they feared outnumbered them, four to one, within their own boundaries. They tried to protect themselves by the erection of internal barriers, both political and economic.

It is the South African situation which is abnormal, and not the South Africans. The racial-economic system of South Africa is an extraordinary one, but the impulses which have created it are 'natural'. There is quite good reason for believing that the Australians, or for that matter the English, if their situation had been a similar one, might have adopted very similar policies. But are the policies valid?

It is their economic validity that we are here concerned with. And since we have recognized their basically protectionist character, we can open the inquiry by recalling Adam Smith's fundamental challenge to protectionism. Nations do not grow rich, he declared, by impoverishing their neighbours. The neighbours whose competition the white South Africans fear are strangers *within* the gates of national sovereignty. Their visible presence aggravates the fears in which protectionism is rooted. At the same time, their collaboration in the output of mine and factory and farm is an obvious and indispensable feature of South Africa's economic life.

We cannot hope to give a complete statistical demonstration of the results achieved by the wage policies which have been designed to protect the white man and his civilization. There have been some undeniable successes. The position of the more highly privileged white workers has been most successfully defended. Something has also been done for many of the unprivileged. The old prejudice against 'Kaffir work' has been in large measure broken down. Progress has been made in the physical and moral rehabilitation of many poor whites. The Department of Labour is able to reckon by scores of thousands the men for whom it has found work.

But can it be said with confidence that the class of poor whites is in process of liquidation? Can it even be said that it has been definitely and permanently reduced as a proportion of the people? These are the crucial questions: on the answers given to them depends the judgement to be passed on the success or failure of the economic measures adopted for racial defence. The answers so far given have

not been encouraging. In 1932, after the Civilized Labour Policy had been prosecuted with vigour for eight consecutive years, the Carnegie Commission estimated that 300,000 of the two million white South Africans were 'very poor'. No doubt that number was reduced to some extent during the subsequent years of mining boom and industrial boom. But how great has the reduction been? What is the inflow into the pool of white poverty compared with the outflow? Nobody seems to know. The statistics are not good enough. But every official or social worker who visits the rain forests at Knysna and George, or the dry areas of the north-west, or the poverty-stricken districts of the cities, knows that the ideal of a 'civilized standard' for every white family is still very far removed from the present reality. If this is the truth at a time when South Africa has enjoyed many years of economic prosperity, what would be the situation should adversity return? Can the favourable conditions attendant on the boom in mining and protected industry be expected to last for ever? Are the foundations of South African economy sound enough to guarantee to every European his 'birthright' of material well-being?

In 1935 the Industrial Legislation Commission carefully surveyed the ground which the Economic and Wage Commission had mapped ten years previously. It discovered no substantial alteration. The great gap between the wages of skilled workers and unskilled workers was still the fundamental and peculiar feature of South Africa's wage structure. The growth of some 'semi-skilled' occupations with intermediate rates of pay had been on too small a scale to make much difference: these little ledges jutting out from the steeply falling cliff of the wage system could offer accommodation to only a small proportion of those white workers who could find no place on the summit. It was easy to fall down the cliff, but hard to climb it. Public policy had during the past ten years multiplied the difficulties of ascent, but had not removed the danger of falling. Admittedly, the favoured minority at the summit were for the present safe enough; for the State had helped them to entrench their position as non-competing groups. Subsidy of one kind or another had also alleviated the lot of many unskilled Europeans. But the basic insecurity still remained. Public policy had mitigated particular evils, but had aggravated the fundamental evil. The colour bar, the civilized labour expedients, the artificial ratios, had blocked the outflow from the large reservoir of unskilled labour, depressed the standard of the labouring masses, protected monopoly privileges, and compelled industry to perpetuate methods of organization which were damaging

to South African productivity and to the well-being of South African society, both white and black.

In the view of the Industrial Legislation Commission, therefore, the protectionist remedies embodied in South Africa's wage structure had failed and must fail to cure the diseases of white poverty and insecurity. But the effect of this failure upon the majority of white men was to stimulate their demand for still more remedies of the same fallacious kind. In 1935, for example, they were calling upon the Wages Board to fix ratios for the employment of European and non-European labour. The Commission believed that the men who made such demands understood neither the true interests of South Africa nor the true interests of the section of Europeans for whom they spoke. The best way of protecting Europeans from falling into the abyss, it believed, was to work towards the abolition of the abyss. The problem in 1935 remained exactly what it had been in 1925, or in 1908¹—namely to increase economic efficiency and to fight poverty wherever it was found. For poverty was no respecter of races. South Africa could never succeed in an attempt to establish 'civilized standards' for her white people by perpetuating the 'uncivilized standards' of the others. Her choice was not between white prosperity and black poverty; but simply between prosperity and poverty.²

The Commission therefore repeated the recommendations which its predecessors had made ten years previously. It called upon the government and the community to make determined efforts to raise the standard of the great mass of unskilled workers, the majority of whom were Natives. It realized that wages in secondary industry were only a part of the problem, and probably not the most important part. It realized also that wage regulation was only one of the factors, and probably not the most important factor, which operated to determine the level of industrial wages. It nevertheless believed that wage regulation could be made an effective instrument for defending the weak and exploitable and thereby improving the productivity and well-being of the population as a whole.

The same advice had been given ten years previously, without very much effect. But there have been signs, since 1935, that the advice is this time receiving far more attention. It is difficult to assess precisely the comparative strength of the various cross-currents of South African thought and politics. Some segregationists have professed themselves satisfied by the legislation of 1936, which we shall discuss in the next section. Other segregationists have been encouraged to

¹ The reference is to the reports of the *Transvaal Indigency Commission*, 1906-8.

² U.G. 37, 1935, para. 142, and chapters ii, iv, v, *passim*.

increase their demands. The protectionist impulse expresses itself with undiminished insistence. On the other hand, producers and business men, harassed by the contraction of world markets, have begun to discover the great potential importance of Native consumers. Chambers of Commerce have actually passed resolutions calling for a national minimum wage. They have even denounced the Native poll-tax as a thing which is both inequitable and uneconomic.¹ In some sections of European society, at least, the habit of economic thinking seems to be gaining ground against the habit of racial fear.

This tendency of mind has expressed itself in official policy. In 1937 parliament passed an amended Wage Act and the government appointed a new Wage Board. The new Board has with considerable pertinacity attacked the problem of low unskilled wages. Its success in particular industries has encouraged it to deal boldly with a number of industries at the same time. In 1938, by direction of the Minister, it recommended a weekly wage of £1. 10s. for unskilled workers in four trades at the Cape.² In 1939 it entered upon the investigation of unskilled wages in 17 industries—later increased to 29—in Durban. In February 1939 it was anticipating that wage determinations would before very long cover 80 or 85 per cent. of unskilled workers (excluding agricultural workers and government or municipal employees) at the Cape.³ All this is evidence of a sustained and central attack upon the problem of underpaid labour. There is also evidence that the attack has had the support of successive Ministers of Labour and the departmental officials.⁴

It is too early yet to say whether or not these developments of the

¹ In 1937, as a sequel to unrest among Native workers in Durban, a conference of employers met at the suggestion of the City Council. It passed on 9th September a resolution urging the government to consider ways and means of raising Native wages. On 18th September the Durban Chamber of Commerce recommended to its members a scale of minimum wage rates; subsequently it passed a resolution calling for a National minimum. The resolution on the Native tax is reported in *Race Relations News*, July 1939.

² Wage determination No. 63.

³ With the promulgation of the determination for the commercial distributive trade this percentage would be reached. The minimum rate for unskilled labour which the Board was seeking to establish at the Cape was 30s. It was not, however, reached in all determinations: e.g. No. 64 established 24s. for quarrying, stone-crushing, and brick-making; and 30s. for road-making only. Capacity to pay was the reason for this divergence. In the other provinces the rate of 24s. has been frequent. The reason for the higher rate in the Cape is that most unskilled workers are Coloured, with higher customary standards than the Natives who form the bulk of the unskilled elsewhere.

⁴ See *Race Relations*, vol. vi, no. 2, speech by Hon. H. G. Lawrence. Note also the pressure put by the Department of Labour upon industrial councils to agree upon the 30s. and 24s. standard fixed by the Wage Board.

years 1935-9 mark the beginning of a permanent change in South Africa's wage policy. Policy in South Africa is always the product of tension between conflicting forces: this is a matter which we shall discuss in the last section of this chapter. Our next section will be concerned with the land problem. This follows logically upon our study of labour. For it is not merely group monopoly or governmental policy which has determined wage rates. It is the volume and pace of the rural exodus which has created the poor-white problem in the cities: it is the uncontrollable overflow from the Reserves which has created the poor-Native problem in the cities. There is considerable dispute amongst economists about the precise effect which conditions in the Reserves exercise upon the urban labour markets and the rewards which they offer. Some students believe that the vast and shifting multitude of intermittent labourers depresses the standard of the permanent Native inhabitants of urban areas; these students favour a policy of 'stable labour'. Others hold a contrary opinion and consequently favour a different policy. Without pronouncing upon this controversy, it is convenient to record here the advice offered in 1932 by the Native Economic Commission:

'Your Commission would, therefore, urge that the main attack on the urban wages problem be launched in the Reserves, where it can at the same time help in the much larger problem of the augmentation of the National Income.'¹

NOTE ON NATIVE WAGES

Information has been given in the text and notes about specific rates of Native wages: in farming on pp. 30-2, in mining on pp. 56-7, in manufacturing and other city employments on pp. 44, 67. It would be impossible within the space available to attempt a more comprehensive account for the following reasons:

1. The great diversity between geographical areas, between industries, and even within industries.
2. The lack of uniform statistical method employed in the partial surveys which are all that exist: e.g. the computations of the commissions referred to in the text, and the annual reports of the Department of Labour and the Official Year Book. Note also the habit of giving *average* wages in industrial censuses, &c.: this conceals the spread between the best and the worst paid.

The rates which have been referred to in the text do, however, give a true idea of South African actualities. These rates can be considered from two points of view:

1. Why are they so high in comparison with (say) the rates prevailing in

¹ *Report of the Native Economic Commission, 1930-32*, U.G. 22, 1932, para. 560.

the Rhodesias? The answer is that South Africa possesses a mature economy of the capitalist stamp.

2. Why, given the existence of this mature economy, are they so low? Why, for example, are unskilled wages in mining about one-sixth, and unskilled wages in manufacturing about one-fifth, of skilled wages? The answer to this question is a complicated one; its various aspects are a recurring theme throughout the whole of this chapter.

IV

LAND AND FRANCHISE

The Native Economic Commission could not find adjectives enough to help it say what it wanted to say about the Native Reserves. Their situation, it said, was 'appalling'; their problems were 'appalling'. 'But the problem which will present itself', the Commission added, 'if the Reserves continue at their present rapid pace towards desert conditions, will be even greater and more appalling'. In Middledrift, there were large areas where the surface soil had been entirely blown away and no grass grew. In Herschel and Glen Grey the vegetation of the mountain sides had almost entirely disappeared, so that the floods of water which came pouring down were washing away large areas of very valuable and fertile soil. In Geluk Location, actual desert conditions had been created in areas which twenty years earlier had given good grazing. With the exception of a few favoured parts, any Native area could be distinguished at sight by its barrenness. Denudation, donga-erosion, deleterious plant succession, destruction of woods, drying up of springs, robbery of the soil, were threatening to turn every Reserve into a desert. Could the European South Africans permit this? Were they not already alarmed at the influx of Natives into European areas? But the influx which was already taking place would seem a mere trickle compared with the flood which would come pouring out of the Reserves if their ruin were not arrested. Could it be arrested? The Commission believed that it could. But action must be drastic and immediate. The reward would be great—nothing less, the Commission believed, than a 'proper economic synthesis' of South Africa's most obstinately conflicting elements. But the punishment for dilatoriness would be correspondingly great. The Commission declared that the consequences to the whole population, 'white as well as black', would be 'irreparable'. South Africans must understand that they were challenged to 'a race against time'.¹

¹ U.G. 22, 1932, paras. 71-3, 80, 87, 96, 116.

What was the cause of the 'appalling' situation of the Reserves? Briefly, the cause was overstocking. But what was the cause of this overstocking? The majority of the Commission believed that the 'anti-progressive social heritage' of the Natives was the chief cause. Their economic system was 'reactionary'; it was 'stagnant'. And it was rooted deeply in their social and religious tradition. In their primitive state the mind was held by 'a system of superstition and animism', which made a breach of ancestral habits dangerous; the body was held by 'the agreeable *dolce far niente*' which was inimical to economic striving. But 'the root of the whole evil' was the Native attitude to cattle. It was a religious attitude, not an economic one. If, as the Commission argued, the race against time was 'a race between the enlightenment of the Native and the complete destruction of his land', enlightenment must mean above all things a revelation of the true significance of cattle. The Native must learn that cattle were things to sell and kill and eat, not things to collect.¹

The fundamental need of the Reserves, the Commission therefore concluded, was 'a vast change of outlook upon the part of the Native'. Nothing more? Was not a vast change of outlook on the part of the European also necessary? The Commission agreed that it was also necessary. The anti-progressive social heritage of the Native had served him well enough until he came into contact with the progressive European. European society had first of all deprived Native society of the freedom to spread which its economic ordering postulated. It had narrowly hemmed in the tribal lands. It had brought peace, and had thereby removed the old check upon the fecundity of men and women; it had brought veterinary regulation, and had thereby increased the number of cattle. It had changed the economic environment of the Native; but had neglected to change the Native so that he might master his new environment. Admittedly, a European parliament had introduced in the Glen Grey district and the seven surveyed districts of the Transkei the magic of individual title. Those Natives who possessed titles derived from them considerable personal satisfaction. But the spread of ruin in the Glen Grey district was proof that the grant of a title deed and the demarcation of plots were not sufficient by themselves to inaugurate a new age of economic progress. The plots were not big enough to make agriculture a whole-time job for energetic Natives, and in the grazing lands of the surveyed areas not a single fence had, until very recent times, been erected. If the European rulers of South Africa really intended to wage war

¹ U.G. 22, 1932, paras. 34, 61, 76, 79, 106, 112: for the Bantu attitude to cattle, see above, p. 26.

against the inertia of Native custom—and this was indispensable if the Reserves were to be saved—they must teach themselves and teach the Natives to see the importance of things like fences and water supply, of markets and forests, of anti-erosion engineering and agricultural credit and selected seed, of wood to take the place of the dung which the Natives were forced to use as fuel. No doubt a beginning had already been made. There were 155 Native agricultural demonstrators at work in the Union. But the agricultural experts said that they needed a minimum of 400 Native demonstrators if they were to make any real impression upon the task which confronted them.¹

It seemed, then, that the white population of South Africa had contributed to the menacing situation by its sins of omission. By these alone? Were not there also some sins of commission? The general unanimity of the report was qualified from time to time by paragraphs of minority dissent, occasionally on matters of fact, more frequently on the manner of interpretation and emphasis. Two dissenting members considered that their colleagues had over-emphasized the Native share of responsibility for devastation in the Reserves. The Natives were not so rigidly bound to their traditional economy as they were made out to be. The Europeans had fastened new bonds upon them. There was precious little *dolce far niente* for the able-bodied males who left their homes at least every two years to work for European masters. Those left behind in the Reserves suffered as much from semi-starvation as they did from superstition. There were even signs that the Natives would not refuse to sell cattle if a market could be found for them. The trouble of many Native areas was not an over supply of cattle; rather was there an insufficiency of cattle for the satisfaction of genuine economic needs. There was a definite and general shortage of ploughing oxen. If despite this the Native areas were congested, that was because they were too small. The Europeans had left the Natives too little land.²

The difference between the majority and the minority of the Native Economic Commission was chiefly one of emphasis. The minority was quite ready to agree that 'the mere provision of more land for Native

¹ Ibid., paras. 100–175.

² Ibid., para. 78, and Part VII (Addendum by Mr. Lucas). 'Not too much cattle, but too little land', exclaimed a Native Chief. On early examples of Native congestion in insufficient Reserves see above, p. 25. Cf. Robertson, in *S.A. Journal of Economics*, vol. iii, p. 9. On Native adaptation to the European economy see Schapera, *Western Civilisation and the African*, chapter xi. It is also relevant to recall that Khama was able to abolish *lobola* among the Bamangwato tribe in Bechuanaland Protectorate. And the Native Economic Commission refers (para. 113) to the 'clamant demand' of Natives for trading rights in cattle.

occupation', without a change in the method of Native occupation, would be a serious error, because the new land would soon be following the old in its degeneration towards desert conditions. The majority was prepared to agree that the Natives must be given more land. Both majority and minority recommended that the government, in providing the additional land, should impose stringent restrictions on the Native users in order to prevent overstocking. And in one other significant matter the Commission was unanimous. It made clear its belief that something more than expediency, or enlightened self-interest, or even moral duty, was involved in this question of enlarging the Native Reserves. There was a precise obligation awaiting fulfilment. The Natives were still waiting for parliament to honour the pledge which it had given solemnly in the year 1913 and had evaded ever since.¹

What was this pledge, in what circumstances had it been given, and how had it been evaded? The pledge had been given in 1913 when the Land Act of that year deprived Natives of the legal right of purchasing land outside certain scheduled areas, and limited their customary opportunities as 'squatters'.² This Act had been adumbrated by the South African Native Affairs Commission, 1903-5. The majority report of that Commission linked together the questions of land and franchise; it advocated both electoral and possessory segregation. It rejected the principle of uniform franchise qualifications and a common roll, which for half a century had been embodied in the constitution of Cape Colony, and recommended instead that the Native voters throughout South Africa should be registered as a separate electoral community. It also recommended that separate areas of exclusive European and Native land-ownership should be substituted for the existing system under which the Natives, while enjoying an exclusive right of possession in certain Reserves held for them by public trust, possessed also the right to purchase land anywhere in South Africa.³

It may be argued with some force that the plan of possessory segregation aimed partly at the protection of Native ownership. A limited but guaranteed security may be worth more than formal

¹ U.G. 22, 32, para. 190. 'But they see in the promises of more land made in connection with the Natives' Land Act as far back as 1913, still unfulfilled, an outstanding obligation on the part of the white man, which, if redeemed, will at least for a time ease the burden on their race.'

² For the 'squattling' provisions of the Act, see above, pp. 28-9.

³ The right which existed in the Cape was also upheld in the Transvaal (in virtue of the Pretoria Convention) in *Tsewu v. Registrar of Deeds* (1905 T.S.C. 130). It did not there survive Act No. 27 of 1913.

equality. To grant equal rights of buying and selling land to individuals of all races is likely to mean that the economically stronger race will dispossess the weaker.¹ It would, however, be hypocritical to suggest that it was this protective motive which solely, or chiefly, inspired the segregationist proposals of 1905. The plan for electoral segregation was intended to safeguard in perpetuity the political supremacy of the Europeans: the plan for possessory segregation was designed to allay their fears as landowners. Some Natives were actually obtaining land by purchase. Sometimes the purchasers were individuals; more frequently they were tribes or syndicates. The European community felt that it was good that Natives should come into European areas as labourers, not so good that they should penetrate as squatters, and quite intolerable that they should establish themselves as owners. The white men were determined to stop the spread of 'black areas'. The intercolonial Commission of 1903-5 feared that the Natives, in virtue of their low standard of living, might by combination buy their way back into the European areas and thereby undermine white civilization. 'It will be far more difficult', it reported, 'to preserve the necessary political and social distinctions, if the growth of a mixed rural population is not discouraged.'²

If, however, the Natives were to be deprived of their right to acquire landed property in any district,³ it was both just and expedient that certain definite districts should be reserved to meet their actual needs. The experts recognized in 1903-5 that the existing Reserves were insufficient. Parliament itself, when it passed the Natives Land Act of 1913, recognized that they were insufficient.⁴ Unfortunately, it postponed the task of making this insufficiency good. The Act of 1913 definitely set aside the existing Reserves,

¹ Cf. U.G. 22, 1932, para. 181: 'That it is a protection there can be no doubt. . . . Where Natives were at liberty to sell their ground to Europeans, the land did in a very large number of cases pass away from them.' The Native Economic Commission has on several occasions argued similarly and has cited the very limited Native purchases in the 'released areas' (see p. 74 below) as proof that the 1913 Act in practice deprived the Natives of but a small opportunity, in return for the security which it guaranteed them in their own areas. This, however, is a controversial question. I have consulted South African scholars on the whole problem and they have placed before me a great deal of historical information—not sufficient, however, to justify confident generalization, which must await further research.

² Cd. 2399 of 1906, paras. 192-3.

³ Section 8 (2) of the Act, however, provided that in the Cape nothing in the Act should prevent any person from acquiring the necessary qualifications for the franchise. It was held in *Thomson and Stilwell v. Kama* that this section had the effect of preserving the right of Natives in Cape Province to purchase land.

⁴ Brookes, *op. cit.*, p. 142, says rather quaintly of the 1913 Act—'Save for a few provisions, it cannot justly be called—as it has been called—criminal and iniquitous.'

together with some farms held in trust for Natives in the Transvaal,¹ as areas of exclusive Native occupation. They came to be known as the 'scheduled areas'; their total extent was 10,422,935 morgen. The Act also contemplated the release of additional land from the ban against Native purchase. It provided for the delimitation of these 'released areas' by an expert commission which was to present its report within two years. . . . Twenty-three years were to pass before the European legislators could nerve themselves to 'releasing' a single acre of ground.

The expert commission for which the act provided was appointed: its chairman was Sir William Beaumont. It went to work with methodical deliberation, and in 1916 submitted its report. The scattered areas which it recommended for release from the prohibition against Native purchase amounted in all to 8,365,744 morgen. The Native community complained that the area was too small. The European community complained tempestuously that it was too large. Local European interests also protested against the manner in which the burden of European sacrifice was distributed. The government was unable to get through parliament the legislation necessary to put the recommendations of the commission into effect. So it appointed five local committees to re-examine the limits of the areas whose 'release' had been proposed. The five committees reported in 1918. They recommended that a rather smaller amount of land (7,521,223 morgen) should be added to the areas contained in the schedule of the Act of 1913. Once again the European community raised a cry of indignation. This time the government did not even attempt to get the necessary legislation through parliament.² In the course of time South Africa's white rulers convinced themselves that the obligation towards the Natives, which they had assumed in 1913 and evaded ever since, was only a conditional one. They still professed themselves willing to set in train the demarcation and release of the additional Native areas promised in the Act of 1913—on condition that the Cape Native franchise was extinguished.³

¹ A good deal of Native land held in trust in the Transvaal was omitted from the schedule of 1913: this facilitated an apparently generous settlement in 1936.

² The government found a partial safety-valve in the phrase forbidding Native purchase outside the scheduled areas 'except with the consent of the Governor-General'. It became the practice to give this consent in areas which had been demarcated both by the Beaumont Commission and by a local committee.

³ The drift towards this view of the 1913 engagement is instructive. In 1917 the Botha government insisted that fulfilment of the engagement must take precedence of the administrative segregation which it hoped to secure. In 1920 the Smuts government treated administrative segregation as a separate issue. In 1926 the Hertzog government insisted that the release of land would not be made definite unless the

This was the programme of the Nationalist-Labour government of 1926. In particular, it was General Hertzog's personal programme. He had always insisted, and was throughout his whole political career always to insist, that the franchise issue was fundamental. He was right. Extreme economic inequality and racial inequality (in all the policies which we have examined the two things went together, sometimes in theory, and always in fact) cannot easily be reconciled with political equality. One system or the other must overthrow its opposite. It surely need not be demonstrated that a parliament which represented a large proportion of Native voters would be unable to perpetuate the colour bar in industry. So long as the Cape franchise remained it constituted a threat to the European monopoly of political power and to all the legislative expressions of that monopoly. Or if it did not constitute this threat, it constituted—so General Hertzog asserted—a fraud. General Hertzog had scant respect for those apologetic liberals who were always arguing that only a sprinkling of Natives enjoyed or would ever enjoy the rights which the liberal theory assigned to them.

It was his ambition to resolve once and for all the tension between the Cape and the northern provinces. This meant tackling the land question and the franchise question simultaneously. In the northern provinces Natives had no vote; nor had they a legal right to buy land outside the scheduled areas. In the Cape any Native could acquire the vote; and as a practical consequence of this legal right every Native possessed the other legal right of buying land anywhere. In August 1926 General Hertzog published four Bills which aimed at establishing uniformity of principle in both these matters. They were entitled: Union Native Council Bill, Representation of Natives in Parliament Bill, Natives Land Act (Amendment) Bill, and Coloured Persons' Rights Bill. The first three Bills embodied the principle of Native segregation, both political and possessory. The Natives would be given their own representative council—not, of course, a legislature, but a body capable of discussing Native interests and bringing them to the notice of the sovereign legislature. The Natives would also be given a strictly limited voice in the sovereign legislature: organized as a separate electoral community, they would return seven members to the House of Assembly. When parliament had settled these fundamental matters, it would fulfil the obligation which it had undertaken in 1913 in the matter of Native land. And

Cape Native franchise was extinguished. Thus the argument returned to its point of departure in the Report of 1903-5, which linked territorial and electoral segregation. But the path of return was a devious one.

it would at the same time demonstrate its conviction that the destiny of the Cape Coloured people was on the European side of the line which throughout all future time must divide the races of South Africa. That was the intention of the fourth Bill. In the Native question the Cape must now conform to the North; in the Coloured question the North must make a beginning of conforming to the Cape. The Coloured population in the northern provinces, which had never possessed the franchise, would in future be represented in the Union parliament by one member of 'European descent'.

Ten years of discussion and struggle ensued before this programme was realized, and during these ten years the programme itself underwent considerable modification. The fate of the Coloured Persons Rights Bill can be very shortly told. It did not satisfy the Coloured community; but the novel principle that Coloured persons in the northern provinces should have any electoral rights at all was one which General Hertzog found it necessary to explain and defend.

'In the Cape', he said, 'there exists a large number of Coloured people already in possession of the vote. They owe their origin to the white man. They speak the language of the European. They live among Europeans and share their outlook and philosophy in a measure totally different from what we can expect from the Native. Like the European they possess no tribal chiefs and no tribal laws. It is therefore impossible to deal with them in the same way as the Native, or to give them separate councils or separate areas. They can best justify their existence where they are to-day, and all I propose is that the rights possessed by them in the Cape will not be confined to the Cape.'

Ten years later these arguments were forgotten. During this interval the Coloured people had grown economically weaker and politically of less account. There was no Coloured Persons' Rights Bill of any kind in the legislative programme of 1936.¹

In 1926, while General Hertzog was still affirming the destiny of the Coloured people to live on the European side of the line, he made a special effort to reassure and persuade the people whose destiny was on the other side. He explained his proposals to a conference of Natives which had been called in accordance with the procedure established by the Native Affairs Act, 1920. 'I hope you will agree', he said to the Natives, 'that there is no injustice done when different

¹ Nevertheless, a commission of inquiry on the position of the Cape Coloured people has, since 1936, reaffirmed the more realistic and generous view, taken by General Hertzog ten years previously. See U.G. 54, 1937, chap. xi. Note the recommendation in para. 1158: 'The Commission recommends that the franchise privileges held by the Coloured people in the Cape Province be extended to include the Coloured people resident in the other three Provinces who hold the necessary qualifications.'

grazing is given to sheep from that given to cattle.' He told them of the new opportunities being prepared for them. They could look forward to an enlarged territorial basis for their separate way of life. This would be their own country; here they would be secure and 'at home'; for the government would give them protection against European competitors, just as it gave the Europeans in their part of the country protection against Native competitors. They would also have their Representative Council, which would be the voice of the whole Native people throughout the Union. It would not, of course, have power to legislate; there could be only one sovereign parliament. But the Natives would be given their separate representation in parliament also. This was necessary because there were 'certain Native interests indissolubly bound to those of the European'. It was not fitting, General Hertzog reminded a too-logical Native questioner, that there should be 'two kraals—one for the sheep and the other for the goats'.¹

This was the first time that a Prime Minister had addressed a Native Conference. The Natives recognized the occasion by passing a vote of thanks to General Hertzog for attending and expounding his policy. Then they settled down to a discussion of that policy. It was not unnatural that they should be at times a little confused; for they had been told that sheep and cattle ought to have separate grazing and that sheep and goats ought to share the same kraal. When they thought about the separate grazing which was to be allotted to them, they feared that it would not be sufficient; when they thought about the kraal which they were to share with other South Africans, they protested that their share was unfairly apportioned. Their feeling about the government's land proposals was that the mere right of purchase in competition with Europeans in a new area released from the 1913 restrictions (and they did not yet know how large that area would be) might not in practice very greatly extend the area of Native possession. They disliked altogether the 1913 restrictions and asked that they should be removed. If parliament would not do this, they asked that it should give them an exclusive right of purchase in the areas demarcated by the Beaumont Commission and the local committees. They protested against the plan to extend the restrictions of the Land Act to the Cape Province. Most of all, they protested against the proposed abolition of the Cape franchise. They asked the Government to seek uniformity of principle by following

¹ *Report of the Native Affairs Commission for the Years 1925-6*, U.G. 17, 1927, pp. 20 ff. Minutes of Conference summoned under Act No. 23 of 1920 . . . on the 3rd, 4th, and 5th Dec. 1925.

the opposite policy, by making a beginning with the grant of voting rights to Natives in the northern provinces. They approved the Union Native Council Bill. But it seemed to them unfair that the government should insist on the interdependence of all the proposed measures. They said that it made discussion very difficult. And they notified the government that it must not interpret their conditional acceptance of its land proposals and their willing acceptance of its Council proposals as an acceptance of the whole programme. They did not think it fair that parliament should ask them to buy a mitigation of the restrictions imposed upon them as purchasers of land—a mitigation which was already binding upon parliament as an unconditional pledge—by acquiescing in the destruction of the Cape franchise which was the actual possession of some of them and the symbol of a hope which they all shared.

The Native Conference recorded its agreements and rejections and doubts and fears in a series of clearly drafted resolutions.¹ The Native Affairs Commission embodied these resolutions in its report, and recorded its opinion that the feeling against the franchise proposals was 'too intense to be ignored'.² General Hertzog had promised the Native Conference that it would be summoned to meet in the following year for further discussion of the policy which he was proposing. But it was not summoned until December 1930. In opening it the Minister of Native Affairs laid stress upon the government's stern determination to deal severely with 'agitators'. He explained also that there had been no need to summon a conference during the past four years, because the Prime Minister's proposals were 'the outstanding feature of Native policy' and these proposals had been already sufficiently discussed.³

As General Hertzog had made quite clear to the Native Conference, it was the sovereign parliament which must decide these matters. But in 1926 parliament was divided in purpose. Champions of the Cape franchise were prepared to fight a stubborn battle, and under the constitution they would win the battle unless their opponents could muster a two-thirds majority in a joint session of both houses. But was it wise for the European legislators to fight their battle in the open, with the Natives looking on? Native policy had never been a party matter, said General Smuts, and he wrote a letter to General Hertzog suggesting that the two parties should seek a com-

¹ *Report of the Native Affairs Commission for the Years 1925-6*, U.G. 17, 1927, pp. 11-13.

² *Ibid.*, p. 46.

³ *Report of the Native Affairs Commission 1927-31*, U.G. 26, 1932, p. 14. Cf. *J.P.E.*, vol. xi, pp. 819 ff. for debate on the Riotous Assemblies (Amendment) Bill, and Mr. Pirow's announcement of a policy of 'stern suppression of all seditious activities'.

promise. And so the four Bills were referred to a Select Committee for investigation and report.

It was the land proposals of the government which provoked the most bitter opposition from the European side. Both the Select Committee and the Native Affairs Commission spent a large proportion of their time listening to the complaints of European farmers who were certain that they were being singled out for unjust treatment. The farmers in the Transvaal Low-veld protested that the rise of land values had completely altered conditions since the time of the Beaumont Commission and the Stubbs Committee; in those days the lands which it was proposed to release for Native purchase were worth very little to European farmers, but progress with such crops as cotton had since then changed all that. These Low-veld farmers were also afraid that the release of lands for Native purchase might injuriously affect the supply of farm labour. 'Great blocks of land given up to Native occupation did not find favour. . . . Indeed, it was recommended by one delegate who spoke for an important Farmers' Association that European areas should infiltrate into Native Areas so as to secure the necessary labour.'¹ The farmers of Natal were equally insistent that conditions had changed since the days when promises had been made to the Natives. What was possible and reasonable then 'in the way of Native land expansion' was under existing circumstances no longer possible or reasonable. 'The Natives had as much land as they could reasonably and with advantage make use of.' Some of the Natal farmers actually asked that the Act of 1913 should be repealed in order that Europeans might be able to buy land in the 'scheduled areas'—until it was pointed out to them that repeal would restore to the Natives an unrestricted right to buy land anywhere. They then insisted that the existing 'scheduled areas' represented the maximum of Native ownership which could be permitted, and that the idea of releasing more land ought once and for all to be given up. 'In principle we object to even a square inch.'² Farmers in one district asserted that the Natives were too generously treated already. Farmers in another district protested that they had already done their share. Farmers in a third district protested that it was 'the coolies' who made all the trouble. The Natives had a real grievance, and the white man wanted to see justice done. How? By restoring to the Natives their right of purchase? Or by giving them the promised

¹ *Report of the Native Affairs Commission for the Years 1925-6*, U.G. 17, 1927, pp. 3-6.

² *Select Committee on the Union Native Council Bill, the Coloured Persons' Rights Bill, the Representation of Natives in Parliament Bill, and the Native Land (Amendment) Bill*, S.C. 19, 1927, p. 209.

compensation for the loss of that right? Surely it would be far better to curtail still further the rights of Natal's Indians! And would it not also be far better to teach the Natives to make proper use of the land which they possessed already? That would not be an insuperable task, now that an improvement of the taxation system made it possible to raise from purely Native sources the funds necessary for Native instruction!¹ European testimony was spinning a highly elaborate mesh of moral argument to justify European niggardliness and the long-continued breach of faith. But the testimony was by no means unanimous. Other European witnesses brutally tore the mesh. One of them insisted that parliament had made a binding engagement which must be honoured. And another said: 'Asked whether I would not give the Natives this development in their existing areas rather than more land, I would say that I would give them both.'²

While the Select Committee was taking evidence on the land question, and vested interests were filing their protests, the segregation policy was making headway along other lines. There was the Mines and Works Act; there was the Immorality Act; there was the Native Administration Act of 1927. Moreover, the government was giving a sharper edge to the Native franchise proposals. It withdrew its proposal to represent the Native community by seven members in the House of Assembly; instead, it proposed that the Cape voters should return as a separate community three members and two senators, and the three other provinces should return between them, by indirect election, two senators only. But there was as yet no prospect of securing for these proposals the necessary two-thirds majority of the members of both houses voting in a joint session. General Hertzog nevertheless made his uncompromising declaration: 'I shall not retreat in so far as the abolition of the Cape franchise is concerned. It is a fundamental principle that it shall be altered.'³ On the 13th February 1929 he introduced in joint session his new proposals for the Native franchise. On the following day, reiterating the principle that the Coloured community must be included 'among the whites, industrially, economically and politically',⁴ he introduced

¹ U.G. 17, 1927, p. 6; S.C. 19, 1927, pp. 249, 261.

² S.C. 19, 1927, p. 74.

³ *J.P.E.*, vol. x, p. 412.

⁴ *Ibid.*, p. 418: 'It was entirely unreasonable', General Hertzog added, 'to think that they were going to draw a distinction between the Coloured people in the Cape and the North. It was one of the most foolish attitudes the whites could adopt, to drive the Coloured people to be the enemies of the Europeans.' The Bill nevertheless did embody a distinction between the Cape and the North. It set up in the North (1) a special mechanism for the registration of Coloured voters; (2) a communal

the Coloured Persons' Rights Bill. On the 28th February the Native franchise proposals were put to the vote and failed to win the necessary two-thirds majority. General Hertzog made no further attempt in that parliament. He had withheld his land Bill until the fate of the franchise Bill was decided; he did not introduce it. Instead, he appealed to the country on his whole programme. The elections of June 1929 gave the Nationalist party an absolute majority. But they still did not give the necessary two-thirds majority to the assailants of the Cape franchise.

Nevertheless, General Hertzog was able in the new parliament to improve, by means of a flanking movement, his position for the final attack on the Cape franchise. In 1930 parliament passed the Women's Enfranchisement Act, which, on the principle that 'whiteness' is in itself a sufficient proof of 'civilization',¹ gave the vote to every sane adult white woman in the Union. The enfranchisement of the white women created an anomaly: there were still white men who were disfranchised because they had failed to qualify under the 'civilization' standards of the Cape and Natal. This anomaly was straightened out in 1931. 'It was nonsense', General Hertzog argued, 'for the Europeans, merely for the sake of the Natives, to be put upon a different basis in the Cape Province than in the other provinces. Quite consistently, they now came to the House and asked, what the government thought was right, that the white man of the Cape Province should be put on the same footing as the white woman.'² The legislation of 1931 established adult suffrage for Europeans. This had the effect of discrimination against the Coloured community, whose status, according to earlier pronouncements of General Hertzog, was bound up by history and national necessity with that of the white people. But the Coloured community was now being definitely relegated to a lower order of citizenship. In 1927 the total European vote was 300,860, and the non-European vote (two-thirds Coloured and one-third Native) was 40,860. But in 1933, chiefly as a result of the legislation of 1930 and 1931, the European vote had swelled to a total of 886,592. The non-European vote in 1933 (partly owing to a more severe administration of the financial and educational tests) was only 36,098.

electorate for at least ten years, and thereafter higher franchise qualifications for Coloured voters than those obtaining in the Cape.

¹ *Ibid.*, vol. xi, p. 1058. 'He [General Hertzog] claimed that to fix a civilized test for a white woman and man in South Africa would be equivalent to denying the civilization of the white man. . . . The white woman was a civilized woman, and to ask her to sign her name to show she was civilized was ludicrous.'

² *Ibid.*, vol. xii, p. 447.

In 1933, also, the majority of the Nationalist party under General Hertzog, and the South Africa party which followed General Smuts, joined in a coalition which the electors, when appealed to in April, returned to parliament with an overwhelming majority. After coalition came fusion. But how could General Hertzog's new followers continue to reject his policy? It is easier to resist enemies than to hold out against friends. Ever since 1930 the Native Bills had been under consideration in a joint Select Committee of both houses. Impatient segregationists demanded that they should now be taken from this hiding-place and presented immediately and openly to the parliament and people of South Africa. But General Hertzog had the wisdom to be patient. He had waited a long time. He was willing to wait a little longer in order to persuade his new friends.¹ It was not until 1936, after ten years of struggle in parliament and the constituencies, that he made his final and successful attempt to carry his policy through.

In 1936 General Hertzog's original four Bills were reduced to two. The Coloured Persons' Rights Bill was dropped—a fact which gives the measure of the adverse drift in the fortunes of the Coloured community which had occurred within the short period of ten years. The parliamentary representation of the Natives, and the creation of a Native Council, which in 1926 had been dealt with in two separate Bills, were now dealt with in one.

The original proposals for a Native Representative Council remained in substance unchanged. The Bill provided that the Council should be composed partly of elected Natives, partly of nominated Natives, and partly of European officials. Its membership was to be safeguarded by government oversight against the influence of 'agitators', and its functions were to be deliberative only; on the other hand, it was to be guaranteed a real opportunity of putting the Native point of view before parliament.² The grant of this privilege served as an argument to justify the curtailment of Native representation in parliament. Existing Native voters in the Cape were to retain their franchise; but no new Native voters were to be added to the roll. The compensation offered for the obliteration of the Cape's non-racial franchise was smaller than it had been ten years previously. In 1926 the Native community throughout the Union had been offered seven European representatives in the House of Assembly, which is the real centre of gravity in South African political life. The

¹ *J.P.E.*, vol. xiv, pp. 789–90.

² For details see 'The Natives Bill described and analysed' in *Race Relations*, vol. xi, no. 4 (Aug. 1935), pp. 25 ff.

1936 Bill gave the Natives no representation in the House of Assembly; it gave them only the right to choose by indirect election four European members of the far less important Senate.¹

General Hertzog's plan was to steer the Representation of Natives' Bill through the joint session of both houses, and thereafter to introduce his proposals with regard to Native land. But it was still not quite certain that he would win the two-thirds majority necessary for an alteration of the Cape franchise. And he wanted something more. If he had aimed merely at settling the question by force of numbers, it would have been open to him long ago, by using the sovereign powers which had been acknowledged in the Statute of Westminster, to amend the Union of South Africa Act so as to permit the abolition of the Cape franchise by a simple majority vote.² But he had refused to wound the spirit of the constitution by such a ruthless use of legal power. He had been patient; he had maintained strict constitutional integrity. He now aimed at nothing less than virtual unanimity of the white population. A few days before the Bill was due to be presented in the joint session of Assembly and Senate he arranged a compromise which satisfied all but an obstinate rearguard of liberals. By this compromise Natives in the Cape would still be able to qualify for the franchise in the old way; but all Native voters would be placed immediately on a separate roll, and would be represented as a separate community by three European members. This compromise did not satisfy the Natives: they clung to the old ideal of full and common citizenship.³ The ideal had originally been implanted in their minds by European teachers and statesmen; but, in 1936, out of 190 Europeans in the two houses of parliament, only 11 defended it to the last by voting against the government's proposals.

Many of the members who voted in favour of the proposals made it clear that they thought the compromise too kind to the Natives and that they would press later on for more drastic measures of disfranchisement. Dr. Malan and his Nationalist followers declared categorically that any kind or degree of Native representation in parliament was repugnant to them: they also announced their determination to secure the removal of the Coloured voters from the common roll and their relegation to a separate roll. The leader of the

¹ Op. cit., p. 24, for the origin of the Senate plan in the Joint Select Committee in 1930. Note that the Cape Natives in the 1936 Bill retained representation by two members (of any race) in the Cape Provincial Council; this right would, however, disappear if there should occur certain transferences of function from the Provinces to the Union.

² See this *Survey*, vol. i.

³ *The Times*, 19th Feb. 1936, reporting a resolution of the executive committee of the 'All Africa Conference' of Natives.

Labour party was equally uncompromising. He moved the discharge of the Bill and the introduction of a new one providing for a complete separation—territorial, political, and economic—between Natives and Europeans. Alas for General Hertzog's dream of a 'final' settlement! A powerful faction was sworn to attack the Representation of Natives Act with the same implacable persistence which had pursued and in the end overthrown the old Cape franchise.¹

Was there any greater hope that the land settlement produced by General Hertzog would prove to be 'final'? Our examination of this settlement will confine itself to making two things plain. First, it did positively aim at fulfilling the obligation of 1913, and it did attempt—in defiance of much protest and pressure from a strong and vociferous European faction—to fulfil the engagement with generosity. Secondly, it did not and could not make any substantial alteration in the economic structure of the Union: still less did it prepare the way for 'economic segregation'.

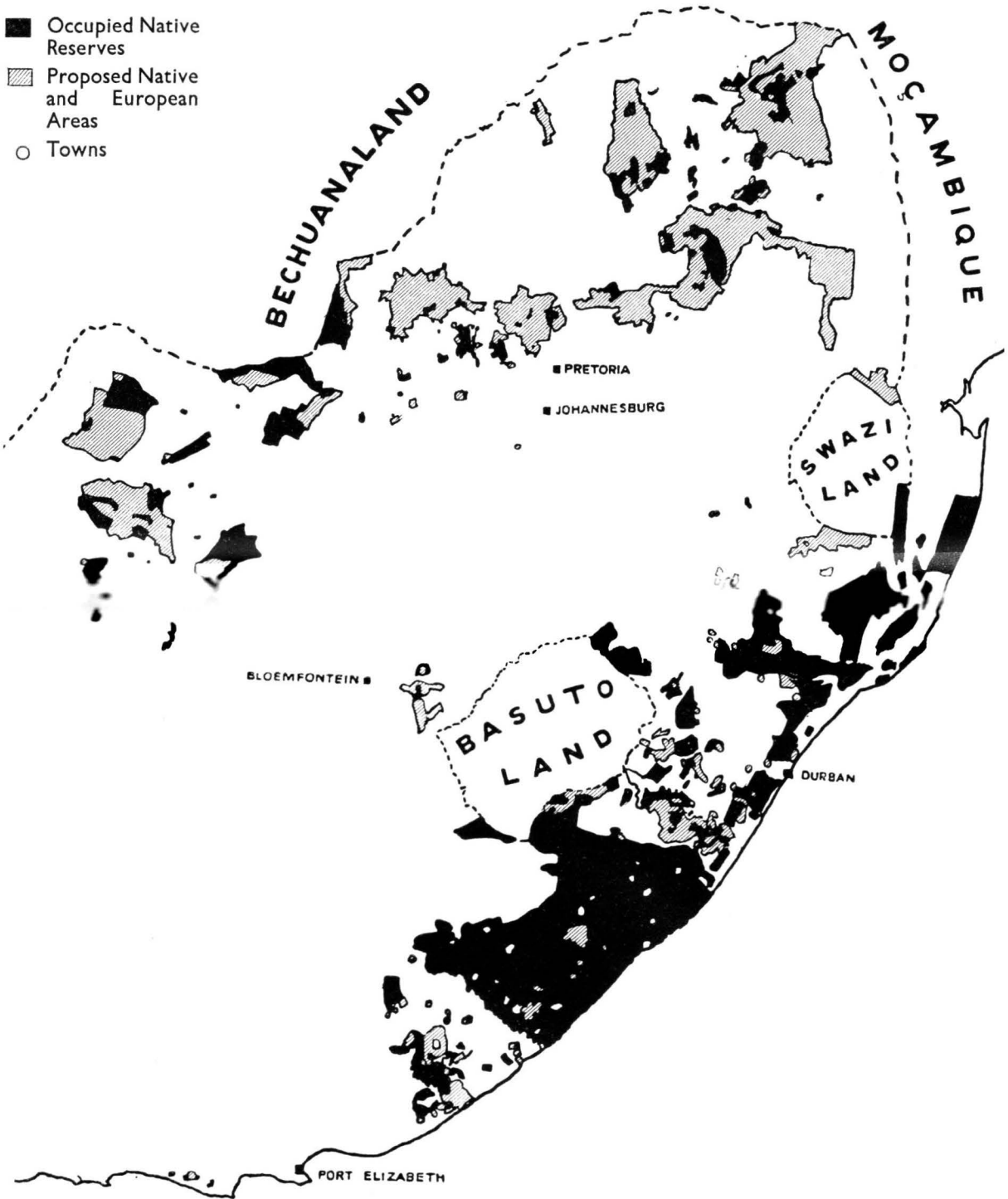
Those Europeans who were most zealous in their defence of Native interests scrutinized the Native Trust and Land Bill with mixed feelings of hope and doubt. The Bill made provision, beyond the limits defined in the schedule of Act No. 27 of 1913, for the acquisition and occupation of land by Natives. There was some lack of precision in defining the area to be released from the old restrictions, but the Bill permitted a maximum of 7,250,000 morgen. This area, although it fell short of the dimensions originally recommended by the Beaumont Commission, would increase the total Native area from 10,410,290 morgen to 17,660,290 morgen—or from 7.3 to 12.3 per cent. of the surface of the Union. This would undoubtedly represent a substantial gain for the rural Native population. Moreover, the proposals introduced in 1936, unlike the proposals which had been made ten years earlier, promised a positive policy of land settlement and land development. Following the precedent first established in Natal in 1860, the Native Trust and Land Bill instituted a South African Native Trust with the functions of acquiring land 'for the settlement, support, benefit, and material welfare of the Natives of the Union', and it assigned to this Trust the duty of developing Native areas and of assisting Native cultivators to improve their agricultural technique and their material and moral well-being.

All this was encouraging. But the experience of many past frustrations raised doubts as to whether the promise contained in the Bill would survive its passage through parliament, or whether, even after the Bill had become an Act, the pressure of partisan interests and

¹ *J.P.E.*, vol. xvii, pp. 347 ff.

UNION OF SOUTH AFRICA
MAP TO ILLUSTRATE THE NATIVE TRUST AND LAND ACT, 1936

- Occupied Native Reserves
- ▨ Proposed Native and European Areas
- Towns



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ungenerous prejudices might not pervert its administrative fulfilment. It could not be taken for granted that the Natives would receive the full 7,250,000 additional morgen, or that, in the process of rearranging Native and European areas, they might not suffer considerable loss by the exchange of good land for bad. In the debates on the Bill representatives of rural constituencies arose one after another to protest against the enormities which they discerned in it. All these speakers declared themselves believers in the principle of segregation. But why, they asked, should the Natives be given land? Did they not possess already their fair share of land? Did they not possess more than their fair share? 'I contend', one member said, 'that even to-day there is too much land for the Natives. . . . We are all looking for labour, the mines look for labour and all of us do. And then we are told that we have to find accommodation for the Natives!' 'Why the hurry?' demanded another member: 'Is there any shortage of land for Natives to-day?' Land for the landless whites, 'right and justice for our own flesh and blood'—this, several members said, was the real demand of the country and the proper preoccupation of the legislature. If the government was really set upon allocating more land for Native use, need it allocate so much? Seven and a quarter million morgen! That was putting 'too much hay on our fork!' And need the government spend good money in acquiring and developing these seven and a quarter million morgen? Ten or fifteen million pounds to be spent on Natives—when it was hard enough to get twenty-five pounds for a distressed farmer! Surely it was good enough to give the Natives a right of purchase, without putting them in possession, particularly as Natives in possession would not work for farmers, who already were at their wits' ends because of the shortage of Native labour. And what about the rights of white farmers who were living in districts destined for transfer to Natives? Land in the Transvaal had increased in value: the Natives should be given land farther north—they preferred the north. Land in the Orange Free State had always been white man's land: one province at least should be kept 'entirely clean'. Why, demanded an indignant Labour member, should area No. 2 go 'right through my constituency'? Why, demanded a government back-bencher, should there be 'a little black spot in my constituency'?¹

This turmoil did not shake the resolution of the government: the Act went through. To be sure, the government took considerable pains to placate the suspicions and grievances of farmers. General

¹ *Union of S.A., H. of A. Deb.*, vol. xxvi, cols. 2775, 2778-9, 2780, 2790-1, 2794, 2807-8, 2835.

Smuts pointed out to them that the new land settlement, combined with the forthcoming stiffening of the Urban Areas Act,¹ would increase the supply of Native farm-labour, as it would replenish the labour-reservoir in the Reserves and dam the outlet into the cities.² Moreover, the actual administration of the land transfers very soon convinced the farmers that their interests would not suffer. The task of administration was put into the hands of the Minister of Native Affairs, assisted by a Central Land Board and by the Native Affairs Commission. The Native Affairs Commission undertook the preliminary survey of the proposed additional Native areas and of European claims in those areas: the Minister decided what properties should be valued with a view to purchase: the Land Board made the final valuation and purchase. A continuous stream of farmers whose lands were under consideration passed through the Native Affairs Department, examining the detailed maps which hung on the walls and arguing points with officials. The farmers had no cause to complain of hard treatment. On the contrary, those who studied the transactions from the Native point of view were apt to complain that the State was once again subsidizing farmers by buying them out at an artificially enhanced price-level. Despite this criticism the champions of Native interests discovered in the administration of the Act many good reasons for satisfaction. Their doubts about the government's intention to allocate fairly to the Natives the full area permitted by the Act were, one by one, cleared away.³

There had also been doubt about the government's willingness to provide the necessary finance. This doubt also was in large measure cleared away. The financial position of the Native Trust was of crucial importance. The Act assigned to the Trust two sources of revenue—certain fees, licences, and rents, which were not likely to amount to a large total, and 'such moneys as Parliament may appropriate'. Would parliament appropriate sufficient money to make the Trust a success? This was the question which called most urgently for an answer. General Hertzog gave it an early and emphatic answer:

¹ See above, pp. 37-9.

² 'This stream would be diverted to the Reserves, whence, owing to the conditions under which they would be permitted to hire lands, heads of families and young Natives would have to work for farmers, leaving their families in the Reserves.' Quoted by Sheila van der Horst, 'Native Labour and Wages', in *Race Relations*, vol. iv, no. 3, p. 69.

³ e.g. the Native Trust and Amendment Act, 1939, settles in the Natives' favour the question of compensation by extra land, over and above the 7½ million morgen, for the loss of specially valuable land (e.g. irrigable river frontages) in the process of reallocation and exchange. This is one of several amendments secured by the senators representing the Natives.

'I wish to state', he declared, '(a) that it is the intention of the Government that the purchase of the land be commenced as soon as possible; (b) that funds amounting to £10 millions be voted within the next few years in such annual amounts as may be considered necessary for purchase every year; (c) that any further sums which may at any time appear necessary . . . during the course of the said period of 5 years, or thereafter, be immediately made available for that purpose.'

This pledge seemed sufficiently definite and reassuring.¹ But there was one uncertainty which it did not clear up. Would the money made available by parliament and expended by the Native Trust be an absolute contribution towards the enlargement, settlement, and development of the Native areas, or would it be no more than a loan at interest which the Native purchasers and cultivators must repay? This question also was settled in a sense generally favourable to the Natives. It is true that they must pay rent for the land which they receive and hold from the Trust. But the rent does not go back into the general exchequer. It does not represent payments of interest and the amortization of capital. It goes into the funds of the Trust to be administered for the benefit of the Native community. This, at any rate, seems to have been the practice so far. If, and so far as, it remains the practice, the additional Reserves which the Natives acquire are an outright gift to them, notwithstanding the fact that technical ownership remains vested in the government through the Trust.²

It is now abundantly plain that the land legislation of 1936, and the administration of that legislation in subsequent years, do honestly fulfil the engagement which the European community assumed in 1913 and evaded throughout the two following decades. The new land policy, indeed, represents something far more positive than the belated honouring of a pledge. It represents a work of salvage, an attempt to grapple with the problems of congestion and soil-destruction, which, as the Native Economic Commission most forcibly insisted, menace the future of the whole South African population, white as well as black.

But is the attempt adequate to South Africa's great need? Will the new areas which are allocated to the Natives relieve the over-

¹ In each of the first two years of the Act's operation the government made available £2 millions of loan money; in the third and fourth years it made available smaller grants of £1 million—thereby suggesting some weariness in well-doing.

² Some students of Native land problems criticize the existing policy because it insists too much on 'tribal tenure' and is therefore opposed to the emergence of a peasant agriculture. See 'Some Considerations which arise from the Administration of the Native Trust and Land Act, 1936', by Mrs. Rheinalt Jones, in *Race Relations*, August 1938.

crowding which has produced such 'appalling' conditions in the old scheduled areas? To answer this question fully it would be necessary to embark on a closely argued discussion of morgenage per head or per family. Let us simply record the conclusion of the local committee which in 1919 demarcated the area to be released for Native purchase in the Transvaal. That committee considered that 18½ morgen was the minimum area necessary for a family of five Natives. Is it likely that the land added to the Native area by operation of the Land and Trust Act of 1936 will provide the cultivating families with this minimum requirement? Some of the districts which the Act releases have long since been densely populated by Natives: this, for example, is true of a million morgen of Crown lands in the Transvaal. The government itself has thought it necessary to remind the public that the old scheduled areas are 'congested, denuded, overstocked, eroded, and for the most part in a deplorable condition', and that many of the newly released areas—some of them Crown lands and others privately owned—are themselves congested, and therefore quite unable to relieve congestion elsewhere.¹ It must also be remembered that the Act provides for the speedy extinction of squatting and a persistent drive against labour-tenancy: presumably the squatters and labour-tenants who are moved on will be expected—for we must also remember the Urban Areas legislation—to find lodgement in the Reserves. Obviously, the sum does not work out. Expert students of the land situation have made it clear that the newly released land will not 'go very far'.²

This disappointing conclusion does not invalidate what we have said about the positive merits of the Native Land and Trust Act and the policy of development which has ensued. They represent the fulfilment of an engagement and the beginning of a work of salvage. They do not, however, provide that 'proper economic synthesis' of South African problems which the Native Economic Commission expected to find in the Reserves.

There is little prospect that the new land policy will profoundly modify the economic structure of South Africa, or produce any prompt and radical revisions in the condition of those three million or more Natives whose lot it is to inhabit the 'European areas'. Chapter IV of the Land Act may weaken the bargaining power of squatters and labour-tenants and thereby help the farmers to get their labour cheap; but the demand of mines and factories for Native workers will continue to operate contrariwise, threatening the farmers with the loss of their new advantage. The problems of urban labour

¹ *Statement of Land Policy*, pp. 4, 6.

² *Race Relations*, no. 3, p. 57.

will not become less urgent, and the wage-fixing institutions of the Union will still continue to pursue their distinct and often contradictory policies of sectional privilege and national uplift. The Urban Areas Acts will continue to struggle against the influx of Natives into the towns; but the demand for labour will still 'pull' the Natives in, and congestion on the Reserves will still 'push' them out. In short, South Africa's racial-economic problems are too complicated to be dealt with in any single settlement, even if it is advertised as 'final'. To understand these problems, all the separate elements which have been dealt with in the previous sections must still be taken into account.

If we wish to describe the characteristics which reappear in all these separate elements and distinguish South African policy as a whole, we may, following a brilliant South African exposition, employ two concepts: domination and trusteeship.¹ All the items of policy which we have considered fall under one or other of these heads. In the period which we have studied the white South Africans have in every sphere of policy shown their determination to defend their position as rulers and masters. Once they have made certain of that, they have in varying degrees proved themselves willing to mitigate the rigour of their rule and mastery by measures which aim at improving the condition of the dependent peoples in the Union. Thus they have made sure of their hold on the land, but have done something to ease the pressure of Native congestion; they have established separate Native areas in the cities, but have improved conditions of life in those areas; they have defended the monopoly privileges of white workers, but have made some effort to raise the standard of Native workers. What they have failed to realize—for the theory of segregation has narrowed their range of vision—is the inevitability and indissolubility of the collaboration which binds together Europeans, Natives, Indians, and Coloured people in the daily work of South Africa. Economic collaboration injects into South African society a fluidity which makes it doubtful whether the two concepts of domination and trusteeship will remain in the future a sufficient guide to the forces which determine social movement. It may even

¹ I refer to the Phelps-Stokes lectures delivered by Professor Alfred Hoernlé and published under the title *South African Native Policy and the Liberal Spirit* (Cape-town, 1939).

These lectures were published after I had drafted my own chapter, but I owe a great deal to Professor Hoernlé for discussion and criticism. I also wish to express my admiration for the manner in which Professor Haarhoff, also of the University of Witwatersrand, has used his deep knowledge of the Roman Empire to illuminate the problem of racial relationships in the modern world. For an impressive statement of his ideal of duty see the *Contemporary Review*, December 1940.

be that the concepts which prevailed earlier in Cape Province—concepts which were more readily adjustable to the fact of collaboration—may, after some re-thinking and re-statement, play an effective part in shaping the destiny of the country. We cannot yet be certain of the final direction which will be taken by many of the movements which we have examined: it will depend on the outcome of a tension which has not yet been resolved.

We shall return to this line of thought in the concluding section of the chapter. In the section which follows we shall attempt to sketch the projections of the South African system, so far as we have been able to understand it, into the countries which lie northward of the Union's frontiers.

V

SOUTH AFRICA'S NORTHERN NEIGHBOURS

South Africa's statesmen have repeatedly asserted that her sphere of interest extends into the north far beyond her own boundaries. But how far? Where shall we draw the line? It will depend in part upon our definition of the interest. General Smuts, Mr. Pirow, and other South African spokesmen have insisted that the interest is nothing less than that of 'white civilization'—its establishment and defence throughout all the 'potential white areas' of Africa. They have therefore included in the South African sphere the whole highland area which runs through the Rhodesias, Tanganyika, and Kenya; they have drawn the line at the frontier of Abyssinia—although Abyssinia also is by their definition a 'potential white area'. The white settlers of Kenya have responded to this South African gesture of racial solidarity; more than once they have called on their white comrades in the Union to reinforce Kenya's resistance to imperial policy—with its alarming ideas about the citizen rights of Indian settlers and the 'paramountcy' of Native interests.¹

The 'white civilization' conception of South Africa's sphere of interest is an important one; it is, so to speak, the ideological extension of the Union's frontiers. But let us concentrate our intention upon some material factors which can be more precisely assessed. In the important matter of defence the line would seem at first sight to be drawn at the Zambesi; for south of the Zambesi all white men are liable to military service (Southern Rhodesia adopted this principle in 1926) and Natives are not permitted to bear arms.² North of

¹ See this *Survey*, vol. i, ch. iv, sections iii and iv.

² *Rhodesia-Nyasaland Royal Commission Report*, Cmd. 5949 of 1939, para. 466: the 'strong opposition in Southern Rhodesia to the arming of natives'.

the Zambesi, on the other hand, Native regiments constitute the permanent defence force. The white men south of the Zambesi nevertheless consider that they have a vital interest in defending the established order farther north. In October 1935, when there was rioting in the copper belt of Northern Rhodesia, the local police were immediately reinforced by the Northern Rhodesia regiment. This reinforcement exhausted the resources of the Protectorate. Southern Rhodesia therefore came to the rescue by dispatching in R.A.F. planes a force of her own police, and Mr. Oswald Pirow offered South African support in the form of a Hercules aeroplane loaded with tear-gas bombs.¹ This incident illuminates the military realities; it shows that the defence of the established order as far as the Belgian Congo (and, to the north-east, perhaps farther) is buttressed by Southern Rhodesia and has its ultimate base in South Africa.²

The economic realities cannot be so dramatically illuminated; yet there are certain definite economic phenomena which indicate where a line may reasonably be drawn. There is, for example, the phenomenon of the southward flow of exported goods throughout the whole area to the south of the Belgian Congo and Tanganyika, with the exception of the north-eastern tip of Northern Rhodesia and the extreme north of Nyasaland.³ It is true that this southward flow does not for the most part find its outlet in South African ports; Nyasaland has its separate railway system, and one branch of the Rhodesian railways reaches the sea at the Portuguese port of Beira. But, if we consider the history of railway enterprise, or the present situation with regard to capital investment and managerial organization, we see that both the Rhodesias are linked to each other and to Bechuanaland Protectorate, and that this single system, which is the foundation of all economic enterprise in the whole area with the exception of Nyasaland, is an extension of the system of the Union.⁴

Far more important than the southward flow of goods is the southward flow of labour, a phenomenon which most emphatically brings Nyasaland back into the picture. In 1935 a committee appointed by

¹ *Report of the Commission appointed to inquire into the disturbances in the Copper-belt of Northern Rhodesia*, Cmd. 5009 of 1935, para. 17.

² The above paragraph was written before the outbreak of war in 1939. In the important debates on the question of South African participation General Smuts emphasized again what he had already many times asserted about the northern and north-eastern extension of the Union's defensive system: Mr. Pirow, however, took a different line.

³ Cmd. 5949, para. 307.

⁴ On the complex railway problem see Pim Report on Northern Rhodesia (Col. No. 145, 1938) and the Bell Report on Nyasaland (Col. No. 152, 1938, esp. chapters viii-x). See also Frankel, *op. cit.*, ch. v, section iii.

the Governor of the Nyasaland Protectorate to inquire into emigrant labour estimated that 120,000 Natives—more than a quarter of the total able-bodied male population—were working for wages in other territories. The committee also estimated that 25 or 30 per cent. of these absent Nyasalanders were *machona*, 'lost ones'—lost to their families, their tribes, and their territory, in an exile which by original intention had been temporary but by force of circumstances had become perpetual. The committee's description of the ruinous effects of this exodus on family and tribal life and on the economic and social prospects of Nyasaland will be considered later, together with the 'pushes' of economic circumstance and governmental policy which have been a cause of it. The 'pulls' which have also been a cause of it come chiefly from the south. In 1935 only about one-sixth of the 120,000 absent Nyasalanders had been attracted northward into Tanganyika; most of these were working on the Lupa goldfields. An equal number were, 'by a fair estimate', working in the Union, though, at the time when the committee reported, the employment on the Rand of Natives living north of latitude 22 was forbidden by law. By a 'conservative estimate', 75,000 Nyasalanders were working in Southern Rhodesia.¹

Northern Rhodesia has also contributed to the southward flow of Native labour, although a considerable number of Natives in the north and north-east find easily accessible opportunities in the Belgian Congo and Tanganyika. In 1938 an expert in labour problems, making the best he could of very unsatisfactory figures, estimated that the total of adult taxpayers of Northern Rhodesia who were fit for manual labour amounted to 231,408; of these, approximately 50,000 were in actual employment outside the country. Taking account of the length of journey, of sickness, of the periods of absence and of recuperation after the homeward journey, the expert thought it reasonable to conclude that 90,000 Natives were engaged in the business of selling their labour abroad. This figure amounts to almost 40 per cent. of the able-bodied male population. Considerably more than half of these emigrant labourers find their market in Southern Rhodesia; and there is also a persistent flow—considerably larger than the recently permitted annual recruitment of 1,500 Northern Rhodesians—to the labour compounds of the Rand.²

¹ *Nyasaland Protectorate. Report of the Committee appointed by H.E. the Governor to inquire into Emigrant Labour, Zomba, 1936, 500, 7581, chapters ii, v, vi, vii. For later and somewhat lower figures see Cmd. 5949, para. 417.*

² *Labour Conditions in Northern Rhodesia, Report by Maj. G. St. J. Orde Browne, Col. No. 150, section viii, Cmd. 5949, para. 418.*

Southern Rhodesia, in contrast with Nyasaland, is on balance a heavy importer of labour. According to an estimate of 1936 the total number of able-bodied males in the colony is 218,000. By the same estimate, the total labour requirement is 300,000. The deficiency must be made good by immigration. In 1937 there were supposed to be 149,000 immigrant Natives employed in Southern Rhodesia. But this is not the whole story. Some of the migrant labour from the north does not stop in Southern Rhodesia but flows through; and some of Southern Rhodesia's own Natives attach themselves to the southward-flowing stream. This is contrary to the law of the colony, which forbids Native emigration. Alarmed at the prospect of increasing competition from the Union, Southern Rhodesia has gone even farther. She has sought the aid of her northern neighbours in constructing a reservoir to hold the labour which seeks to make its way south. The territories of Northern Rhodesia and Nyasaland have joined with her in proclaiming 'that the three Territories should have the first call upon the labour supply within their joint area'.¹ Whether this policy can be effectively enforced is open to doubt.

The reason for the southward drift of Native labour is not far to seek. Some typical figures of money wages will serve as a sufficient explanation. In Nyasaland 'rates of pay for unskilled labour vary from 6s. to 8s. a month in the Northern Province and from 6s. to 10s. in the Southern Province'.² In Northern Rhodesia, 'farms seem to pay an average of 12s. 6d. monthly with food; in some places the figure is rather higher. On the mines the monthly wage varies from 12s. 6d. to 25s., the average being about £1, food being supplied in all cases.'³ The money wages which Southern Rhodesia offers are not—except on the coal-fields—appreciably higher;⁴ but she offers better

¹ Cmd. 5949, paras. 419–24. Mining development in Northern Rhodesia has of course increased the local demand for labour. Simultaneously (since 1935) the Rand has begun a direct, though limited, competition for 'tropicals'.

² Col. No. 152, para. 267.

³ Col. No. 150, para. 160.

⁴ I select from the *Economic and Statistical Bulletin of Southern Rhodesia*, vol. vi, no. 8 (21.7.1938), the following figures of average wages per Native employee in mining:

	1930	1932	1934	1936	1937
	s. d.	s. d.	s. d.	s. d.	s. d.
Gold . . .	28 2	24 3	20 8	20 1	21 2
Asbestos . .	34 11	28 0	22 11	22 2	23 2
Chrome . . .	25 7	23 5	20 7	20 10	21 4
Coal	42 0	47 11	50 0	51 6	50 5

The downward movement of all mining wages except in coal is noticeable in this period; it was in large measure to be explained by including in the records mines

conditions of living and a wider range of employment. The money wages which Natives earn on the Rand are three or even four times as high, and the non-monetary inducements are also, in many respects, very much more attractive. From Nyasaland to the Rhodesias, and from the Rhodesias to the Union, the Natives who go south go in order to 'better their condition'.

The roads and railways which facilitate the southward drift of Native labour are also the channels which diffuse the northward-flowing stream of European capital and migration. It was the advancing miners' frontier which first secured the Rhodesias for European rule, and mining is still the fundamental European industry. It is the absence of this industry which differentiates Nyasaland from its neighbours, and explains why the white population of the Protectorate still falls short of the 2,000 mark. It also explains the occupational constitution of this white population, which, as we shall see, has had the effect of opening to educated Natives careers which in neighbouring British territories are barred to them. Nyasaland is in very large measure a creation of the missionaries' frontier. By contrast, the recent history of Northern Rhodesia strikingly illustrates the importance of the miners' frontier. In 1926 the white population of that Protectorate was 5,581; in 1931 it was 13,846; in 1936 it was 10,588. The increase in the late twenties was due to the rapid development of the copper mines; the fall in the early thirties (a fall which began to be compensated in the succeeding years of economic recovery) was due to the interruption of this development.¹ Southern Rhodesia once depended upon gold almost as heavily as Northern Rhodesia now depends upon copper; but pastoral, agricultural, and industrial development have during the past generation created a far more diversified economy. Nevertheless, even in 1937 more than half of Southern Rhodesia's £10,000,000 of exports consisted of bullion; while asbestos and chrome ore accounted between them for almost another £2,000,000.² The economic structure of the two Rhodesias, like that of South Africa, is still founded upon

which had previously been classified as small, and had after their development continued to pay small-mine wages.

The monthly average number of Natives employed in mines in 1936 was 87,000; of Europeans, just over 3,000 (*ibid.*, vol. v, no. 6). Approximately the Native labour force was: Southern Rhodesians, 28,000; Northern Rhodesians, 23,000; Nyasalanders, 28,000.

¹ Cmd. 5949, para. 6.

² *Statistical Year Book of Southern Rhodesia 1938*, Table No. 137. The total exports in 1937 amounted to £10,704,679: the chief items were gold bar, £5,614,091; asbestos, raw, £673,258; maize, £506,333; coal, £247,910; cattle and hides (dry and wet), £257,177.

minerals; it is neither easy nor pleasant to imagine what would happen to that structure should the supply of mineral wealth become exhausted, or the relation between costs and prices become unfavourable.

The farmers have followed the miners north; but, like the farmers of South Africa, they depend on assistance which the State provides from the fund of mineral taxation, or on the support which the British consumer gives through the medium of imperial preference. Sometimes they enjoy both these aids.¹ There is another class of privileged Europeans—the bricklayers, printers, engineers, and other skilled workers who moved north in the wake of the miners and the farmers. This class enjoys a standard of material reward which at a rough estimate is double the standard of the same class of British workers, who through the medium of imperial preference contribute to the well-being of their Rhodesian brethren.² But the material reward of the Native worker is, as we have seen, lower in the Rhodesias than in South Africa. That South African abnormality, the chasm between the wages of skilled and unskilled labour, is repeated and even exaggerated farther north.

¹ Preference has given important help to tobacco and maize; it may be said to have made the former industry. Quota arrangements have helped the animal industry. There is in fact hardly a branch of Southern Rhodesian farming which has not been helped by the British consumer. Meat, maize, dairy production, and pig production have received in addition various kinds and degrees of artificial support from the colonial authority.

² I am indebted to the Statistician of Southern Rhodesia for a table of some typical comparative wage-rates, from which I quote the following:

Relative Level of Weekly Rates of Wages for Adult Male Workers in Certain Industries in Southern Rhodesia and Other British Countries

Industry	Southern Rhodesia (minimum rates)		United Kingdom 31st Dec. 1937 (minimum average rates)		Canada Montreal Oct. 1937 (minimum)		Australia 31st Dec. 1936 (range)		New Zealand 31st Mar. 1937 (minimum)	
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
<i>Building</i>										
Bricklayers.	9	12 6	3	11 1	7	8 11	4	19 0—5 12 2	5	4 6
Carpenters.	9	12 6	3	11 0	6	10 3	4	19 7—5 7 9	5	1 8
<i>Printing and Bookbinding</i>										
Compositors.	8	19 0	3	13 0	7	5 8	6	0 6—8 1 0	5	10 0
Bookbinders.	8	4 0	3	13 7	6	6 3	4	12 0—5 1 0	5	2 6
<i>Engineering</i>										
Iron Moulders.	8	8 0	3	10 3	4	14 6	3	18 0—4 14 0	5	0 0

To calculate the real value of these money rates would take too much space, and international cost of living comparisons are very chancy. No doubt, a very marked difference in cost of living reduces the gap between the Southern Rhodesian artisan's nine-guinea wage and the British artisan's three-pound-ten wage. But it still leaves the gap an impressive one.

Has the frontier of white settlement brought with it in its northward advance the economic and racial policies which we have studied in South Africa? We might surely expect the political boundaries to be a barrier against this kind of South African penetration. North of the Zambesi policy is made in London, and administered by officials appointed in London. Its avowed principle is the paramountcy of Native interests, which means, even after it has been whittled down by afterthoughts and explanations, a refusal to subordinate the interests of the indigenous masses to those of any other community, no matter how important it may be. Between the Zambesi and the boundary of the Union lies a colony which in 1922 deliberately decided that its destiny lay outside the Union, and made this decision chiefly because of its British patriotism and its zeal for the imperial connexion. The Union, on the other hand, asserts its distinct national sovereignty. It has frankly rejected the imperial principle of the paramountcy of Native interests. We should therefore expect to discover a direct clash between the Native policy pursued in the territories governed from London and that of the Union. And we should expect Southern Rhodesia to aline herself in this contest on the imperial side.

Nevertheless, we know, even when we are concocting this argument, that it is an extremely formalistic one. We can recall the struggle which took place in New Zealand between the settlers and the missionaries, and can recollect that the settlers, after they had gained self-government, continued this struggle (although they were devoted to the British connexion) against a Colonial Office which had been influenced by the missionary conception of Great Britain's duty. The constitutional status of Southern Rhodesia after 1923 was in principle the same as that of New Zealand during the latter part of the nineteenth century.¹ The self-governing white men of Southern Rhodesia clung to the imperial connexion; but they did not thereby endorse the imperial principle of the paramountcy of Native interests.

According to the theory of the time Great Britain, when she conferred upon Southern Rhodesia the boon of responsible government, was not retreating under pressure of the settlers' frontier nor surrendering to an interested party the administration of her sacred trust on behalf of the Native population. During the early nineteen-twenties the influence of the 'liberal imperialists' was at its height.

¹ See above, ch. i, section ii. The actual model suggested for Southern Rhodesia by the Buxton commission was the constitution of the former colony of Natal. The population of Natal when it received responsible government was 47,000 Europeans, 41,000 Indians, and 456,000 Natives. Southern Rhodesia in 1923 had a European population of 33,000 and a Native population of 770,000 (estimates in round figures).

They acclaimed with eloquent enthusiasm the transformation of the Empire into the Commonwealth, and proclaimed self-government to be the supreme virtue of political life. They believed that self-government was a blessing to the receiver, and to the giver, and to the whole fabric of human society. They hardly contemplated the possibility that there might be a price which third parties would have to pay. They assumed that the enlarged liberties which were conferred on white colonists would enlarge the liberties of the indigenous populations also. But the truth may very well be the reverse of this.

The Colonial Office remembered enough of its past experience to see the need of hedging the grant of self-government by reservations intended to safeguard the interests of the Natives. It did not, seemingly, remember that reservations of this nature had proved ineffective in the past. The Letters Patent of 25th August 1923, which established responsible government in Southern Rhodesia, obliged the Governor to reserve for His Majesty's pleasure any Bill (not containing a suspending clause) which imposed upon Natives 'any conditions, disabilities, or restrictions to which persons of European descent are not also subjected or made liable'.¹ They also guaranteed the inviolability of the existing Native Reserves, and the right of Native purchasers to acquire land anywhere in the colony—a right which in Southern Rhodesia, as in Cape Province, was bound up with a non-racial franchise qualification.² In order to make certain that the guardianship of imperial principle should not be merely a distant and negative one, the Letters Patent provided that the High Commissioner in the Union of South Africa should be the channel of communication between the Southern Rhodesian government and the Imperial government in the sphere of Native legislation and policy, and it conferred on the High Commissioner a share in the appointment of the senior officials of Native administration.³ These limitations upon Southern Rhodesia's autonomy, however, never possessed much practical importance, and some of them proved transitory even as a matter of form. After ten years of self-government the white people of Southern Rhodesia believed that they had qualified for a higher status. In 1934 and 1935 their Prime Minister discussed with the Secretary of State for the Dominions the restrictions which the Letters Patent of 1923 imposed on the colony's power and dignity. As a result of these discussions, amending Letters

¹ *Letters Patent*, section 28 (a). Cf. section 41, which bars racial discrimination by proclamation or regulation 'or other instrument' issued under the provision of any law which does not expressly define the disabilities or restrictions imposed.

² *Ibid.*, section 42.

³ *Ibid.*, sections 49, 58.

Patent removed all the clauses of the constitution which stipulated the exercise of oversight and control by the High Commissioner. They did not, indeed, abolish the *functions* of oversight and control which had been stipulated in 1923; the King's advisers in the United Kingdom retained their ultimate responsibility.¹ In form, therefore, the Imperial government is a consenting party to all the legislation which is inconsistent with the principles of imperial policy. In fact, it could only make its will effective by resuming direct responsibility for the government of Southern Rhodesia: such a reversal of historical development is inconceivable.

Constitutional divergence, we have now seen, does not necessarily imply a corresponding divergence of economic and racial policy. It is time for us to examine the facts of policy. Let us begin with the problems of labour. Here, if anywhere, we should expect to find that the South African system has failed to expand beyond the boundaries of the Union. For the class of organized white workers is a late development in the economic chronology of Southern Rhodesia, and the numerical strength of that class remains comparatively small. In 1926 the number of white artisans was estimated at 8,374; during the next ten years it did not increase by more than a few thousands. The needs of so small a class would hardly seem to demand the elaborate institutional provision which South Africa has made for her white workers.

This was most emphatically the conclusion of an English investigator whose advice was sought by the Southern Rhodesian government in 1930. The investigator found that the local artisans received money wages about 23 per cent. higher than corresponding wages in the Union and also enjoyed a real standard of living which was appreciably higher; compared with British artisans they were aristocrats. This did not mean that they were more efficient than British artisans. The wage paid to them was in part the product of the Native labour which they 'supervised'; white incomes were high only because there was 'an extreme inequality of income between white and native worker even in the same industry and workshop'.² As in South Africa, the gap between the reward of white workers and

¹ See *Southern Rhodesia. Dispatch from His Excellency the Governor to the Right Honourable the Secretary of State for Dominion Affairs*, C.S.R. 26, 1936, esp. pp. 4-5. If the Secretary of State really intended to exercise his 'supervisory oversight', he should insist on seeing the opinion on legislation and administrative action affecting Natives of the Chief Native Commissioner—an officer who still cannot be dismissed without his approval.

² *Report on Industrial Relations in Southern Rhodesia*, by Prof. Henry Clay, C.S.R. 3, 1930, p. 37.

black workers was due in the beginning to the scarcity-value of the skill which the former possessed; as in South Africa, the white workers had sought by combination to perpetuate a condition of things which in the natural course of events would have been temporary. They had been successful. There was therefore no need for the government to come to their aid. 'It is only depressed and underpaid labour', the expert reported, 'that calls for Government intervention.' Governmental policy in Southern Rhodesia was faced with a more serious and urgent task: to strengthen the colony's economic foundations and enable it to support a larger population. The immediate need, therefore, was to strengthen the basic industries; not to shelter that section of the white people which was employed in 'derivative' industries. The basic industries on which all other economic activities depended were four—trade with the Natives, mining, agriculture for export, and the provision of railway transport for neighbouring territories. In each of these industries, except that of Native trade, the limiting factor was costs; this was at the present time strikingly clear in the case of mining, and would become almost equally clear in the case of railway transport, when once the Angola railway began to compete for the traffic of Northern Rhodesia and the southern districts of the Belgian Congo.¹ But the costs which the basic industries had to bear consisted to a considerable degree in the direct charges imposed by the derivative industries, and in the high cost of living for which they were in no small measure responsible; it followed that policy should not aim at increasing still further the money wages of highly paid workers, but rather at sustaining real wages by facilitating a reduction in the cost of living. Policy should also aim at increasing the Natives' standard of living. Of the four basic industries, trade with the Native population was the only one which did not depend on export markets and need not wait for its expansion on the necessarily gradual process of immigration and settlement. The 850,000 Natives possibly possessed at the present time a spending power equal to that of 80,000 Europeans; to raise that spending power was economically the equivalent of an acceleration of European immigration; it would have exactly the same effect in reducing the overhead charges which the colony had to carry—'the necessary costs of government, trade, and transport'. European workers sometimes regarded with fear the progress of Native capacities; in the Union they had sought to arrest that progress by

¹ Southern Rhodesia has by agreement with Northern Rhodesia assured herself at least until 1956 against competition by the Angola Railway for the transport from the copper belt, which, also, she supplies with coal from the Wankie mines.

demanding State support of their Colour Bar. But the fear was unjustified. The white man was not so incapable that he could only defend his position by insisting on the underpayment of the Native. The relation between advanced and backward labour was complementary rather than competitive. 'Even if in some occupations the Native does displace the white man, now that he is able to earn more he can demand more, and so offers a market for an increased output of goods in general, in which additional white labour will find employment. Already the railway receipts from Native passenger traffic exceed those from first class passenger traffic.'¹

This was in substance the same argument which the experts had addressed to the government and the people of South Africa. In Southern Rhodesia, a colony which for every reason was bound to desire a rapid economic expansion, the argument possessed if anything an even greater cogency. But the white people of Southern Rhodesia paid no more attention to the argument than the white South Africans had done. Economic logic was strange to them; the logic of racial defence was natural to them. The white workers looked to the practice of the South African trade unions to learn how they might best defend themselves, and the European legislature copied all the main items in the Union's code of industrial legislation—with the exception of that single item which was designed to protect the lowest-paid workers against exploitation.² The Industrial Conciliation Act of 1934 established in Southern Rhodesia both the Union's apprenticeship system and its industrial council system.³ The restrictionist intention of the Southern Rhodesian legislation was even more bluntly stated than that of the Union legislation. There was no beating about the bush in defining the class of workers which was to be excluded from the organizations of 'employees' and from the industrial councils. Natives were to be excluded from the benefits of the Act.⁴ The operation of the Act conformed in almost every particular to the South African example.⁵ Its intention was in every

¹ Clay, *op. cit.*, paras. 107-12, 119-23.

² The reference is to South Africa's Wage Board system.

³ Act No. 10 of 1934, and amending Act No. 36 of 1937. It should be added that early in 1939 additional machinery along the lines of the Union's Wage Board was also contemplated. For the South African model, see pp. 53-62 above.

⁴ Chapter I of the Act gives this definition: '“Native” means any member of the aboriginal tribes or races of Africa or any person having the blood of such tribes or races and living among them after the manner thereof.' This is the standard definition (cf. Native Affairs Act 1927, Native Tax Act 1930, Land Apportionment Act 1930, &c.).

⁵ There was one novel feature. Regulations issued on behalf of specific industries surrounded the principal towns with a ten-mile area in which persons engaged 'in the undertaking, industry, trade or occupation concerned' could neither give nor receive

particular identical with the intention of the South African system, namely, to protect the privileges of the white trade unionists, both as regards wages and as regards the ratio of employment.

By what principle did the European rulers of Southern Rhodesia explain the intention of their policy? On 30th March 1938 the Prime Minister, Mr. G. M. Huggins, made the following statement to an audience composed largely of Natives:¹

'Because of the presence of the white man the Bantu is, with accelerating speed, lifting himself out of his primitive conditions. His inter-tribal wars have been prohibited, and his once frequently-recurring epidemics have been checked. His numbers are increasing. Tribes once separated by traditional animosities are developing the idea of racial unity. . . . The Bantu is resolved to learn, and within as yet undetermined limits is capable of learning. To forbid him opportunities is contrary to natural justice, but are we to allow him to develop and in the course of time, because his requirements are so small, to oust the European? . . .

'While there is yet time and space, the country should be divided into separate areas for black and white. In the Native area the black man must be allowed to rise to any position to which he is capable of climbing. Every step in the industrial and social pyramid must be open to him, excepting only—and always—the very top. . . . The Native may be his own lawyer, doctor, builder, journalist or priest, and he must be protected from white competition in his own area. In the European area the black man will be welcomed, when, tempted by wages, he offers his services as a labourer, but it will be on the understanding that there he shall merely assist, and not compete with, the white man. . . . The interest of each race will be paramount in its own sphere.'

The Prime Minister cited Uganda as the exemplar of the principle that the black man must be allowed to rise to any position—except the very top. But Uganda does not divide its territory into two parts, and limit the application of this principle to one part only. The idea that there are two spheres, one where European interests are paramount and the other where Native interests are paramount, is, as we have seen, the idea which governs South African policy. It is the idea of segregation. Can it be reconciled with the 'natural justice' to which the Prime Minister of Southern Rhodesia appealed? If we grant the theoretical possibility of such a reconciliation, we shall still

employment except on those conditions which had been determined by the procedures provided by the Act. See, e.g., Government Notice 73 of 1939 (24th Feb.) applying the ten-mile principle in the printing industry. There was, however, a gap in the Act. A person who was *not* 'in the undertaking, industry, trade or occupation concerned' might employ labour not subject to the agreed regulations; e.g. a hotel-owner might hire direct Natives to paint his hotel—since he was not in the building industry.

¹ Cmd. 5949, para. 392.

have to examine the practical application of the policy. We must consider whether or not the division of spheres has been made fairly. The division of spheres means in the first place a division of land—and this is not merely a matter of square miles and acres: the comparative fertility of the land, its situation with regard to the railway system and the chief markets, the amount of public money which is spent in developing its productivity and the capacities of those who work on it—all these and many other factors must be taken into account. What proportion of the Native community (in South Africa it is more than half) is compelled to earn its living in that sphere where Native interests are subordinated to European interests? Are the opportunities of advancement permitted to Natives in their own sphere substantial, or are they fictional?

Economists, it may be observed at the outset, are inclined by the bias of their training to be sceptical about the possibility of making a genuine division. For a fundamental proposition of economic science about production is that it signifies the indissoluble combination of three elements—land, capital, and labour. Since the Natives of Southern Rhodesia represent preponderantly the element of labour, their separation from the economy of the colony can be no more than a very limited one. Imperial policy has also traditionally rejected the division at which Southern Rhodesian policy aims. This rejection was explicitly written into the fundamental law of the territory in the days of the Chartered Company. It was symbolized in article 83 of the Order in Council of 1898, which declared: 'A Native may acquire, hold, encumber and dispose of land on the same conditions as a person who is not a Native.' The Letters Patent of August 1923 reasserted this principle.¹ Nevertheless, the Imperial government was not unprepared for its rejection by a self-governing Southern Rhodesia. During the negotiations of 1922 the colonists had suggested an apportionment of land between Natives and Europeans after the manner of the South African legislation of 1913. The Secretary of State had demurred to their request. 'The present clause', he declared, 'enshrines a long-accepted principle.' But he held out a hope that the Imperial government would permit the Southern Rhodesians to set aside this long-accepted principle. 'If', he said, 'full and impartial inquiry should show, after Responsible Government has come into force, that some amendment of the law is necessary, His Majesty's Government would be prepared to consider an amendment.'²

The white people of Southern Rhodesia were quick to take the hint.

¹ Section 43.

² *Report of the Land Commission, 1925, C.S.R. 3, 1925, para. 41.*

At the opening of the first Legislative Assembly under the new constitution the Governor announced that a Land Commission would be appointed, and that, in the meantime, nothing would be done to make a 'satisfactory' solution more difficult—which meant that, in the meantime, there would be no alienation of land to Natives.¹ The Land Commission presented its report in 1925. It quoted from a wide variety of sources in order to show that there was virtual unanimity of opinion among settlers, academic students, and even missionaries, in favour of the territorial separation of races. For itself, it accepted that principle on one condition—'that the division was fairly made'. It believed that a fair division was possible, provided the colonists had a sense of justice large enough for the problem and the opportunity which confronted them. Southern Rhodesia was more fortunate than the Union of South Africa. It was a comparatively empty country. Of its 96,250,000 acres only 31,000,000 had been alienated to Europeans, and only 21,000,000 had been set aside for Native Reserves; 43,000,000 acres remained.

Some of the Europeans were afraid that if more land were allocated to black men insufficient would be left for the white men; but the Commission did not think that these fears were justified. It pointed out that at present there were approximately 10,000 acres each for every white man, woman, and child; that the size of European farms was generally excessive; and that huge blocks were in the possession of companies and syndicates which were letting the land lie idle. Besides, the Commission had decided to recommend a considerably increased area for white possession. Its final conclusion was that an additional 6,851,876 acres should be set aside for Native purchase and an additional 17,423,815 acres reserved for Europeans. This left rather more than a million acres as 'neutral' or 'semi-neutral' areas, and rather less than a million acres as a forest reserve; it also left 17,793,300 acres of land in arid or fly-infested or unexplored country to be allocated at some future date. Of the area now ready to be apportioned (including the existing Reserves) the European share would amount approximately to 62 per cent., and the Native share approximately to 37 per cent. The Commission insisted that these shares must be allocated immediately and definitely. No doubt

¹ The Native right of purchase had in the past been largely a formal one; partly because the Natives were ignorant of their right, partly because they lacked means, and partly because the policy of Crown and Company had withheld from them the chance of exercising their right. (They had alienated only one farm to Native purchasers.) While the Europeans acquired 31,000,000 acres of land, Native purchasers acquired only 45,000. The Commission believed nevertheless (paras. 89 and 90) that they were bound to compete increasingly for the purchase of land in the future.

the history of land apportionment in South Africa was in its mind when it wrote: 'The subject cannot be dealt with by instalments, as the Native cannot in fairness be asked to give up forthwith a right which he possesses in exchange for an immediate instalment of land, to be followed possibly later by a further instalment or instalments, of the value or extent of which no one has any knowledge.'¹

There is no doubt that these proposals offered to the Native population of Southern Rhodesia a distinctly greater measure of security upon the land than that which the South African Natives possessed. Their 37 per cent. share of the land represented a far higher proportion of a far emptier country. The Commission calculated that, on the basis of the existing population figures, the Native area would amount to 27·7 acres per person. Its insistence that this share must be allocated immediately and definitely was a very real addition to Native security. Moreover, its advocacy of individual tenure in the newly delimited areas was an encouragement to progressive Natives.² Yet it may be doubted whether the Commission made an excessive demand upon the sense of justice of the European community. After all, the Europeans already possessed per person almost 10,000 acres of land, and their share was to be increased. In addition, nearly all the better-situated areas lay inside the European sphere. When we study the detailed map of land apportionment attached to the Commission's report, we cannot fail to observe that less than 100 miles of the more than 1,300 miles of railway which serve the colony's economic needs run through the Native areas. The map also shows that the areas intended for Native occupation are not laid out in compact blocks, but are scattered in such a manner as to keep European employers in close touch with supplies of labour.

The proposals which the Land Commission made for clearing the European areas of unwanted Natives corresponded closely with South African policy, and were in general very acceptable to the white people of Southern Rhodesia. It recommended the abolition of that system of occupancy which in South Africa is called 'squating'—though not its sudden and drastic abolition.³ It also recommended the institution of a thorough residential segregation in the towns. It pointed out that 'European civilization' had caused a congregation in the towns of large numbers of male Natives. Separated from their wives and children they became a prey to vice and to

¹ *Report of the Land Commission, 1925*, C.S.R. 3, 1925. para. 103. The 'neutral' areas, amounting to 1,099,870 acres, were recommended only by the Chairman and one other member. The semi-neutral areas (defined in para. 162) amounted to 80,329 acres.

² *Ibid.*, paras. 134 and 224 ff.

³ *Ibid.*, paras. 355, 356. See above, pp. 26, 28.

diseases 'which are already said to infect in some districts over three-quarters of the Native population, and which may have a serious influence on the birth rate, with a disastrous effect upon production and the labour supply'.¹ If all this was true, the system was both inhuman and inefficient; but the Commission did not fly in the face of European opinion by suggesting that Native labourers should be permitted to live a settled family life in the cities. Instead, it told the Europeans that it was their duty to do what on the whole they wanted to do—to segregate these urban Natives in separate locations or villages, and 'make them liable to medical inspection'.²

The parliamentary history of the land apportionment policy was a leisurely one;³ but it reached its conclusion at last in Act No. 30 of 1930. As the constitution provided, the Act did not become law until it had survived the scrutiny of the Imperial authority; it survived that scrutiny. In substance it carried into effect the recommendations of the Commission of 1925. It was, however, more precise and drastic in its handling of the problem presented by the Natives living in European areas. It permitted labour-tenancy, (stipulating only that the Chief Native Commissioner must approve the terms of contract); but it provided that rent-paying tenants must be removed from European areas within six years from the passing of the Act.⁴

The experience gained in administering the Act has proved that this last stipulation was too ambitious. In 1933 the Chief Native Commissioner reported that there were 132,414 rent-paying Natives living on Crown lands in the European area; in addition there were many Natives living on private lands. The law demanded that they should all be removed before 31st March 1937; but the Chief Native Commissioner did not believe that preparation in the Native areas was sufficiently advanced for their accommodation. Parliament would, therefore, find it necessary to extend the period of grace. Amending acts in 1936 and 1937 extended the period to January 1941; but it is now clear that a far longer time should have been allowed for clearing the European areas. For one reason, many European landowners do not wish to lose their rents. For another reason, accommodation in the Native areas is still lacking. The government

¹ *Ibid.*, paras. 381-2.

² 'It is its (European civilization's) duty to do all in its power to minimise the ill effects.' It is only fair to point out there was a protective element in this segregationist proposal; and it is noteworthy that Natives were to be permitted to tender for building in the locations.

³ *J.P.E.*, vol. viii, pp. 957 ff.; vol. x, pp. 216 ff.

⁴ Act No. 30 of 1930, section 24.

has actually gone outside and beyond the Act in its efforts to find room for Natives who are overcrowded in certain European areas remote from any Native Reserve. Between 1932 and 1939, it purchased more than 500,000 acres and settled on them rent-paying Natives under 'a controlled form of communal tenure'. These additional Native lands are marked on the map as 'New (Native) Occupational Areas'.

Is the total area set aside for exclusive Native occupation sufficient for the needs of the Native population in the present and the near future? We have been skirting around this question: it is now time to face it directly. The answer to it must depend upon the results of many separate investigations and calculations, and also upon less calculable factors. How much of the land assigned to the Natives is fit for agriculture, how much of it is fit only for pasture, and how much of it is fit for nothing? Between 1933 and 1938 experts classified the soils of 24 Reserves, containing 6,126,859 acres; according to their classification, 40 per cent. is arable, 44 per cent. is grazing, and 16 per cent. is waste. If the same percentages are roughly true of the whole Native area, the total cultivable land amounts to about $8\frac{1}{2}$ million acres, or 11.2 acres per head of the present estimated Native population. But the distribution of the population and of the good quality land is by no means uniform; nearly half of the 89 Reserves can offer less than 10 acres of arable land per inhabitant, and 15 of them can offer less than 5. There is also the question of grazing for live-stock. How much land do the cattle need? In the 'New (Native) Occupational Areas' each rent-paying tenant is limited to 10 head of large stock or their equivalent in small stock,¹ and a minimum of 100 acres is judged necessary to provide him with sufficient grazing. On this basis the total acreage of the Native areas falls a little short of the immediate needs of their present inhabitants, even without taking account of the problems arising from the uneven distribution of the inhabitants in relation to the available land. Most emphatically, there is little or no room in the Reserves for the 320,000 Natives who, according to the law, are due to be shifted out of the European areas.

These calculations are disturbing. There is, however, one flaw in them. They treat the productivity of the land as a static and unchanging factor. They make no allowance for progress which may be made in teaching the Natives to use the land more efficiently. But in actual

¹ The calculation is that the grazing for one head of cattle will provide for four goats. I take all these calculations from a memorandum prepared by the Agriculturalist for the Native Affairs Department and submitted to the Bledisloe Commission.

fact, great progress has been made already. There are signs that it is likely to continue, and to transform the whole agricultural situation.

The funds which the European legislators provide for the agricultural education of the Natives are extremely meagre. The estimates for the year 1938-9 allocate £12,713 for the development of Native areas—in comparison with £247,901 which is voted to the European Department of Agriculture.¹ Of this small sum, £3,163 supports a small establishment of European experts; £5,582 supports a Native establishment consisting chiefly of demonstrators; what is left provides for travelling and transport, surveys, and equipment. Yet it has sometimes happened, both in science and in practical affairs, that the best work has been done with scanty means. The little staff of European experts whose mission it is to increase the resources of Southern Rhodesia's Native areas are proving once again that necessity is the mother of invention. They cannot afford a mechanized assault on the danger of land-erosion; so they have put together out of a railway sleeper and a gum pole an instrument which, drawn by oxen, throws up the contour ridges necessary to retain and disperse the water which pours down the hill-sides. They cannot afford to establish elaborate demonstration stations, or to equip their demonstrators with expensive implements; as a consequence, they have discovered that it is better to place their demonstrators on the plots of Native producers and to furnish them with no more tools than those which the ordinary producer can hope to buy.² In this way they

¹ *Estimates for the Year ended 31st March 1939* provided for a revenue of £3,320,000, of which £397,000 was contributed by the Native Tax. Among the estimates of expenditure the following items may be noted: Native Affairs, £236,357; Native Development (i.e. education), £89,539; Education (i.e. European education), £360,825; Agriculture (i.e. in European Areas), £247,901. The sub-heads of the Native Affairs vote were: administrative and general (£143,946), Land Board (£6,959), development of Native Areas and Reserves (£12,713), Native Labour (£72,739). This last item concerned largely immigrant Natives.

Attempts are sometimes made to prove that the Natives contribute more by direct taxation than the State spends on them. Alternatively, that they contribute less. For do they not benefit from the £164,269 allocated to hospitals and dispensaries, the £87,640 allocated to military defence, the £289,291 allocated to prisons, the £559,555 allocated to the services of loans, as well as from the administrative, postal, and other general expenditures of the State? But, on the other hand, do not the Natives contribute more than their direct tax as purchasers of goods which have paid customs duty, and as users of public utilities? And do they not (since all income is a product of the collaboration of land, capital, and labour) contribute also to every source of public revenue, including even mining royalties and the European income-tax?

The argument of direct Native payment and direct Native benefit is seen to be a fallacious one. The real questions to be answered (as in South Africa) must be answered in the light of the best teaching on economic theory, the canons of taxation, and man's duty towards his neighbour.

² These tools are a plough, a harrow, and a cultivator. In 1932 it was planned to

have brought instruction and example to the very doors of the people whom it is their task to serve. They have also brought the incentive and the enjoyment of immediate profit. Every Native 'co-operator' who prepares and cultivates two acres of his land according to the directions of a demonstrator receives the whole of the increased crop which scientific method produces. A 'co-operator' who persists with the new methods for four years qualifies as a 'master farmer'. By that time he has in all probability increased his harvests tenfold. By the example of his prosperity, and by the distinction of the certificate and badge awarded to him, he invites his neighbours to follow him along the new path. The four-year period of co-operation is determined by the rotation of crops which the agricultural experts are seeking to establish—maize; maize with kraal or composted manure; a legume (ground-nuts, ground-peas, &c.); millet or some similar crop. By this rotation, which hinges on the nitrogen-restoring legumes, Native cultivators are able quickly to build up their worn-out soils and to maintain their productivity year after year. But it is not merely to individual profit and individual emulation that the reformers of the Native Affairs Department appeal. They aim at a transformation of the visible pattern of the rural community. In 1929 they made their first experiment in 'centralization', or the demarcation of arable and pasture into compact blocks. These compact blocks are very often separated (without cost of fencing) by the long line of a replanned village. The experiment has won rapid success. Within the first ten years more than two million acres of Native lands were 'centralized', and at the present time the agricultural officers of the Native Affairs Department find themselves unable to keep pace with a rapidly growing waiting-list. An agricultural revolution is taking place among the Natives of Southern Rhodesia. There are signs that the Europeans who are guiding its course have found a middle way between the excessive individualism which was the price of agricultural progress in eighteenth-century England and the excessive collectivism which has been its price in twentieth-century Russia.

The effects of this agricultural revolution—provided they are not frustrated by public policy—are bound to stimulate the economic activity of Southern Rhodesia. We should naturally anticipate an increase in the volume of production, a progressive elaboration of the division of labour in Native areas, and an increase in the capacity of the Natives to pay for the goods and services which the white people,

add a seeder. There were, at this time, 64 demonstrators; 152 had been asked for by Native Commissioners. Each demonstrator was bound to take over plots for at least ten Natives, but this minimum was often greatly exceeded.

far more than their own people, are capable of supplying. Nevertheless, there are signs that the white people, or a section of them, fear this progress more than they welcome it. Their protectionist sentiment has deep roots. Having expressed itself ten years ago in the attempt to divide the economic structure of the colony into two parts, it now expresses itself in measures of defence against the growing competitive strength of the Native part. To the white maize grower in Southern Rhodesia progress in the maize fields of the Reserves seems the same as foreign competition. In South Africa there is hardly any question of such competition, for the Native areas are on balance importers of agricultural produce.¹ But the more spacious Reserves of Southern Rhodesia have produced already a surplus for sale; and the rapid progress of Native agricultural technique points to a time, not far distant, when this surplus will be a considerable one. How will the ruling race adapt itself to this novel situation?

The situation first arose in the production of maize. Maize is grown to some extent in every district of Southern Rhodesia, but the chief producing districts are in Mashonaland: Matabeleland, which comprises the drier southern and central districts of the colony, is on balance an importer of maize. The colony as a whole is an exporter on a considerable scale; the total in 1937-8 amounted to 1,333,000 bags, which was almost double the quantity sold in the home market. Owing to its high content of starch, the maize of Southern Rhodesia enjoys on the world market a premium over the competing production of Argentina and the United States. Nevertheless, the economic collapse of 1930-1 (in the latter year the Liverpool price fell as low as 1s. 10d. per bag) compelled the colonial legislature to come to the

¹ The following South African figures are from the 1936 Population Census and from the 1936-7 Agricultural Census Reports:

	<i>Native population in Reserves in 1,000s</i>	<i>Native production in 1,000s of bags</i>			<i>Total</i>
		<i>Wheat</i>	<i>Mealies</i>	<i>Kaffir corn</i>	
Cape . . .	338	59	125	48	232
Transkei . . .	1,107	16	2,019	114	2,149
Natal . . .	586	—	246	59	305
Zululand . . .	319	—	117	32	149
Transvaal . . .	592	7	406	337	750
Orange Free State . .	20	12	55	9	76
Total . . .	2,962	94	2,968	599	3,661

It was estimated by the Native Economic Commission that a Native consumes per annum roughly $2\frac{3}{4}$ bags—though the Commission did not state whether this estimate is on the basis of *total* or only *adult* population. If the former, the agricultural produce consumed in wheat, mealies, and Kaffir corn by Natives in the Reserves = $2,962,000 \times 2\frac{3}{4} = 8,145,500$ bags. This is more than twice what they produce.

rescue of the growers. The Maize Control Act of 1931 established a central selling authority whose business it was to market the grain and pay the farmers the average between an artificial home price and the world-market price. But the Act exempted the Matabeleland growers from this system of control. The result was to give them the benefit of the artificial home price without imposing on them any share in 'the burden of export'; this led to an expansion of production in those parts of the colony which were naturally less suitable for maize-growing. In 1933 the Matabeleland growers were receiving 10s. a bag, whereas the Mashonaland growers were for the most part receiving only about 4s. The central selling board was handling less than a quarter of the maize consumed and subsidized by the local consumer. An amending Act in 1934 ended this absurd situation, but compensated the small producers (who had been responsible for most of the production in the hitherto exempted areas) by an ingenious quota system. Every grower was given a share in the proceeds of the artificial home market; the share was allotted on the basis of past production—the smaller the production, the greater the share.

This revised scheme has the merit of imposing a check on rash expansion and of leaving it to the individual producer to decide his own policy. But it has also the defect of favouring marginal and sub-marginal producers at the expense of efficient producers in the natural maize areas. This defect is not one of logic. The Act aims at keeping the white farmer on the land, and it is the least efficient white farmer who is in the greatest danger of being driven off the land.¹

Does the racial-protectionist impulse which the Maize Act embodies operate at the expense of the Native maize producers? The terms of the Act are frankly discriminatory. Sections 10–13 apply only to 'producers who are not Natives'; other sections apply to Natives only. But does this discrimination in practice hurt the Native growers? The Bledisloe Commission seems to have concluded that it does not; but the Commission did not argue the question.² It cannot be fully argued here; for the details are so intricate that nothing short of an elaborate specialist investigation would be adequate to handle them. There is a clash of opinion between the officials of the Native Affairs Department and the officials in charge of agricultural marketing; the former believe that the control scheme is operated

¹ Act No. 17 of 1934; amended again by Act No. 6 of 1937. The complicated quota arrangements are set out in the schedules. The system of 'geographical bonuses'—i.e. of recognizing in price-fixation the economic advantage which certain growers possess owing to their propinquity to local purchasing centres such as Bulawayo—has been an additional aid to a considerable number of small European producers.

² Cmd. 5949, para. 119.

with an unfair bias against the Native growers; the latter deny it. One fact nobody denies—that the Native is not likely to get more than 5s. a bag for his maize, while Europeans receive double that price on anything between 25 and 100 per cent. of their crop. But differences of opinion arise in explaining the fact. Usually the Native grower disposes of his maize to a trader, who in turn disposes of it to the Control Board; the trader may have treated the Native unfairly, either by paying him an insufficient sum of money or by paying him in 'truck'. Again, Native-grown maize is 'uneconomic' in the sense that it is grown in areas which the government has not seen fit to equip with the facilities of road and railway transport; is it not inadmissible that producers in these remote areas should receive the same return in money as producers whose maize can be cheaply carried to adjacent markets? The clauses of the Act which relate specifically to Native producers seem to show great consideration for their special needs; they provide for no less than six alternative methods by which these producers may dispose of their surplus. Inevitably, the method of disposal through traders is the one most commonly adopted, and only 25 per cent. of the maize which is thus handled is admitted to the privileged home market. Small European growers are given very much higher quotas. These quotas, however, diminish as the European growers increase their production; whereas the quota of Native growers remains fixed at 25 per cent. even if year by year they add to their production. And this they have done.¹

There remains the stubborn fact that the small European producer normally receives a quota of over 70 per cent., whereas the small Native producer (there are no large Native producers) never receives a quota above 25 per cent. There remains the other stubborn fact that it is Natives in European employment who, as consumers of maize meal, pay the bulk of the price for the protection given to the white farmers. And there remains something more. Acts and regulations are visible landmarks in the evolution of opinion and policy; it is the direction which that evolution is following, rather than the form of any particular landmark, which most deeply concerns the historian. There can be no doubt about the direction which European opinion in Southern Rhodesia has been following. The white farmers of the colony have begun to aim at a system of agricultural protectionism from whose benefits the Natives shall be altogether excluded. They made their intention clear at a congress of the Rhodesia Agricultural Union which met in September 1939. A

¹ The figures of Native maize reaching the Board through traders are: 1935-6, 235,000 bags; 1936-7, 432,000 bags; 1937-8, 593,000 bags.

resolution submitted by the executive of the Union called upon the government to 'reserve for the European settlers the whole of the local market for maize, wheat and eggs'.¹ The resolution added that the Natives should be given 'further incentive' to produce these commodities for sale at the lower prices offered by the world market, and to produce for home consumption less important and less profitable crops such as ground-nuts, rice, and beans. Nearly all the speakers avowed their high purpose of encouraging Native progress. They congratulated each other on these avowals of high purpose. The Prime Minister, who attended the congress, congratulated them all. But, save for one or two eccentric dissentients, they were all agreed about the urgency of the need for protecting the white producer against the competition of the Native producer. They tried to be fair. They agreed that the Native ought to be taught better methods of cultivation—though some speakers felt that the government was in too much of a hurry to teach them, and was spending too much money on the work.² They agreed that increased Native production and a higher Native standard of living would be an economic benefit to the whole country—but they were almost unanimous in demanding that the Native must achieve that higher standard without competing with the white farmer. The white farmer must have protection against the Native. Did not the white carpenter or white railway worker have this protection? The farmer could not be protected by a fixed wage and a fixed ration of employment; but he could and must be protected by a scheme which would give him a monopoly in the home market for the higher-priced crops, and leave 'the lower-priced ones to the Native'. So they passed their resolution. The Prime Minister congratulated them on the generosity and breadth of view with which they had conducted their discussion. He assured them that the government was 'fully alive to the possible dangers of the situation'. He reiterated this assurance in the election campaign of March 1939, when he and his party pledged themselves to the following programme:

'Native policy founded on the Land Apportionment Act and the development of the Native in his own areas. The marketing and export of Native crops with adequate protection for the white producer.'³

¹ I quote from the typed report of discussion kindly given to me by officials of the Rhodesia Agricultural Union. ² Cf. p. 107, note 1, giving the actual expenditure.

³ Manifesto, 1939: 'The United Party to the Electors of Southern Rhodesia.' Cf. *Rhodesia Labour Party, Statement of Policy*, p. 5. 'It is satisfied that the internal markets created by the enterprise of the white race should be retained for the white farmer, and that by organization and sale of Native production overseas, a far better economic return could be obtained by the Native producer than is now available to him.'

The racial aspects of Southern Rhodesia's economic policy—or, it might be as good to say, the economic aspects of Southern Rhodesia's racial policy—conform to the South African example. There are important differences of circumstance, but not of principle. Because Southern Rhodesia has had more land to spare, she has been able to make a more generous provision for the land needs of Natives. But for this very reason she has been moved to apply the principle of racial defence in a sphere where South Africa has felt no need of applying it: namely, in the sphere of agricultural marketing. Because Southern Rhodesia has had more land to spare, she has not been faced with the problem of a formidable rural exodus. Although her wage structure copies and even exaggerates the South African disparity between the wages of skilled and unskilled labour, she has not as yet been seriously vexed by the 'poor white' problem.¹ She has therefore felt no need to enter upon an ambitious 'civilized labour policy'. But in every other respect her policies with regard to urban labour have been imbued with the spirit of the Colour Bar; her Industrial Conciliation Act is faithful even to the letter of South African example in its more restrictive aspects. For the purposes of our immediate inquiry the political frontier between South Africa and Southern Rhodesia is, therefore, not a frontier at all. The boundary does not mark a real division of principle. It is true that Southern Rhodesia's legislative autonomy is not yet complete, and that the 'colour-blind franchise'—symbol of nineteenth-century liberalism in Southern Africa—has not as yet been displaced. But the moving frontier of white farmers and miners and artisans has carried to the Zambesi the modern South African reaction against the liberalism of the imperial tradition and the Cape tradition. Cecil Rhodes's maxim, 'Equal rights for every civilized man south of the Zambesi', is not to-day in favour in the colony which Cecil Rhodes created.²

Is the Zambesi itself a real line of division? North of the great river the 'imperial factor' has not been eliminated. Those who rule are ultimately responsible to the parliament of the United Kingdom. His Majesty's government in the United Kingdom professes different ends of policy from those which are pursued (and often professed also) by his Majesty's governments in South Africa and Southern Rhodesia. But is there very much difference in practice? In the

¹ There are, however, signs that the problem is beginning to appear—e.g. applications with which the Juvenile Employment Board has to deal, and the necessity of appointing probation officers.

² Since this chapter has been in proof, I have read with profit the manuscript of a full-dress study of Southern Rhodesia by Roy McGregor. It is entitled *Native Segregation in Southern Rhodesia*.

field of Native administration, contrasts which at first sight appear strongly marked become attenuated under a close examination. North of the Zambesi, the principle of paramountcy seeks to express itself through the method of indirect rule; south of the Zambesi, the differential policy expresses itself through Native Councils and Native Courts: yet Southern Rhodesia, like Northern Rhodesia, is endeavouring 'to encourage and develop the participation by the Natives in their own government'.¹ Do the contrasts in the ends and means of economic policy become similarly attenuated under a close examination? Are the professions of 'trusteeship' and 'paramountcy', which are made by Great Britain and all her African administrations nothing more than the homage which vice pays to virtue? Or do they represent something real?

These are questions which we shall not be able to answer confidently until we have completed the inquiry planned for the following chapter. That chapter will deal with economic policy in colonial areas remote from the frontier of settlement. At present we are concerned primarily with the settlers' point of view, and our immediate purpose is to discover the line at which the settlers' point of view ceases to determine policy—to map the outer fringes of 'white man's country', and to discover whether or not those fringes are still advancing. We cannot spare very much time for this novel attempt at map-making. Perhaps we may save ourselves some time if we try the method of elimination. Can we eliminate Nyasaland? We know that we cannot eliminate it from the area of the southward flow of labour. But can we eliminate it from the area of the northward flow of the white man's labour policies? By putting our questions in this negative form, we escape for the present the obligation of entering too far into the examination and criticism of Colonial Office policies. We can limit ourselves to the search for similarities and contrasts, and postpone the probing of causes.

The Nyasaland committee which in 1935 reported on the problem of emigrant labour painted a lurid picture of the evils which emigration caused. It prophesied that those evils, if they were not checked, would have, at least in the northern province of the Protectorate, the following probable effects:

'Home life will cease to exist: all belief in the sanctity of marriage will disappear. In consequence, venereal disease will affect one hundred per cent. of the population. The birth-rate will fall . . .

¹ Cmd. 5949, paras. 69 ff., 82-3, 395, 407. It was long held in Southern Rhodesia that the breaking up of tribes by the wars made direct administration necessary; it was not till 1937 that Native Councils and Courts were established.

... And, resident chiefly in other lands, the Nyasaland-born Natives will have acquired a mistrust in and loathing for administration by the white people which has made a wilderness and called it peace.¹

Can it be true that a government which professes the principle of trusteeship has been directly responsible for the imminence of such dreadful calamities? The committee of 1935 believed that the government had been very largely responsible. It believed that the government's taxation policy had aggravated the economic causes of the labour exodus. At the very root of the problem, according to the committee, was the impact upon Nyasaland of the white man's money economy. The Native needed money for various purposes; he was even beginning to pay the bride price in money rather than in cattle. But most of all he needed money for the payment of his taxes. Every able-bodied male, and every woman occupying a hut, must get possession of the 6s. demanded by the government's tax-collectors. In the five northern districts of the Protectorate, the total sum *collected* in taxation amounted in one year to £18,379. The wages earned in those districts amounted to £13,000. The sale of crops brought in an additional £1,000. How could the Natives secure the extra £4,379 which the government took from them in taxation? Only by selling their labour outside the Protectorate.²

This little piece of simple arithmetic is the starting-point of problems which are far from simple. Is it right to tax individuals on their mere existence? Is it right to impose taxation without granting representation? Or is the lesson which Englishmen learnt in medieval Christendom, that taxation and representation go together, inapplicable to present African circumstances? Is the government's money tax to be justified as an adaptation to new circumstances of the African's traditional obligation to his tribe and his chief? Is the tax, though sound in principle, unsound in application? Should the government postpone its demand for money until African society has by a natural evolution acquired the means of getting money and the habit of using it? Should the government in the meantime take its taxes in labour? Or should the government retain the money tax and graduate it according to the varying capacities of taxpayers? And what are the obligations of the imperial authority? Is it justified in attempting to make each colony balance its own budget? Should the British taxpayer bear the cost of providing Nyasaland

¹ *Ibid.*, para. 95. Cf. Col. No. 152, para. 271. The percentage emigration from the Southern Province is 10·8 per cent. as against 28·7 per cent. for the Northern Province. Five districts of that Province record percentages ranging from 37·5 to 60·9 per cent.

² *Ibid.*, paras. 31-7.

with its material equipment (such as transport) and its non-material equipment (such as educational and health services) until that equipment has so increased the productive efficiency of the Native population that it can itself bear the costs of further progress?

These questions go far deeper than our immediate inquiry, which aims only at discovering the line at which the policies of 'white man's country' give place to policies of a different kind.¹ The taxation policy of Nyasaland is not different in principle from that of Southern Rhodesia or South Africa. The only difference is that the tax imposed on Nyasaland Natives is much lower. But it is not lower in proportion to the resources of the Natives. What causes the exodus of labour from Nyasaland is the lack of opportunity for earning at home the money which Natives need. It should be stated that the British taxpayer has already contributed, by loan and by gift, towards the increase of economic opportunity in the Protectorate.² But the British taxpayer, even if he had been more generous and far-sighted than in fact he has been, would still have been unable to contribute the element which most differentiates the economy of Nyasaland from that of the Union and the Rhodesias. That element is mineral wealth.

It is by developing her agricultural opportunities, with whatever help the Imperial authority is willing to grant, that Nyasaland must somehow contrive to pay for the equipment which she needs in order to raise the standard of her people, and thereby make them capable of contributing substantially to their own future progress. The traditional method of achieving these ends is the concentration of energy on the production of export crops. This tradition follows the classic theory of the international division of labour. Its applications have been by no means confined to African colonies. The Dominions received their productive equipment from investors who were attracted by the prospect of finding profitable employment for their capital in satisfying a world demand for wool or wheat or minerals. Nyasaland, humbly following so encouraging an example, has offered her cotton and tobacco and tea in markets which, alas! have lost much of their former elasticity.

Cotton and tobacco and tea account for 98 per cent. of Nyasaland's exports. And it is in the examination of the history of their production that we first perceive a real contrast, both in economic policy and in

¹ For further discussion of these questions, see below, pp. 119-21.

² For details, especially with regard to the support of the railways, see Cmd. 5949, Col. No. 152, ch. viii, and para. 307. From 1930 to 1935 the Colonial Development fund made free capital grants totalling £726,534, of which £500,000 was earmarked for meeting the interest charges on the Nyasaland Guaranteed Loan.

economic tendency, between Nyasaland and the territories of European self-government. The situation with regard to cotton may be seen in the following figures:¹

Cultivation in acres

	<i>European</i>	<i>Native</i>	
1916-17 . . .	27,300	5,720	
1924 . . .	26,500	13,900	
1926 . . .	13,400	38,300	
1928 . . .	1,000	15,000	
1930 . . .	760	39,200	
1934 . . .	1,500	40,200	
1936 . . .	2,000	19,300*	} *Private Estates, Native Tenants' Cotton.
		89,000	

The table shows that cotton, which began as a European crop, has become predominantly a Native crop. This change has been partly due to the technical shortcomings of European plantation methods; it has been due still more to the capacity of small Native growers to persist in the face of adverse economic factors which the European planter has been unable to withstand. It has also been due to the encouragement and help which Native growers have received from the government, to the support of a powerful British cotton-buying corporation, and to the research conducted by the Empire Cotton Growing Association.

The figures of Nyasaland's tobacco production² seem at first sight to tell a similar story of the retreat of European planters under the pressure of Native competition. But the reality is not quite so simple. The European product consists chiefly of flue-cured tobacco; the Native product consists entirely of the much inferior fire-cured tobacco. The two products are not competitive with each other. Fire-cured tobacco is grown on heavy soil, and finds its limited market only amongst the hardiest members of the hardy tribe of pipe-smokers. Thanks to British preference, to the Imperial Tobacco Company, and to the Native Tobacco Board established by the Nyasaland government in 1926, the Natives of Nyasaland have taken this market at the expense of competitors in far-away Kentucky.

Farmers in Southern Rhodesia point to the Nyasaland planter's retreat from cotton and his diminished production of tobacco as a portent and a warning of what would happen to the Southern Rhodesian farmer, and the white civilization of which he is the backbone, if Native producers were allowed to share all the advantages of the

¹ This is a selection (excluding a good deal) from the table in Col. No. 152, para. 151.

² See the table in Col. No. 152, para. 191.

subsidized home market.¹ But is this the single and sufficient interpretation of Nyasaland tendencies? So far, at any rate, the Native tobacco-grower has won his chief victories against competitors *outside* the Protectorate. May it not be true that the European cotton-planter would have been defeated by more efficient planters and more persistent peasants *outside* the Protectorate, even if the Natives inside the Protectorate had not come into the business? Can it even be taken for granted that the cotton-planter may not even now recover some of the ground which he has lost, by improving his methods of cultivation and management?² The issue between large-scale and small-scale methods of agriculture is not yet settled; nor will it ever be settled within the boundaries of a single small territory.³ But it is relevant to observe that the European planters, even within the small territory of Nyasaland, have compensated themselves by developing a new industry which gives greater promise of efficiency. The following figures suggest that this new crop bids fair to become Nyasaland's chief export:⁴

Exports of Tea

	<i>Amount exported lb.</i>	<i>Value (local) £</i>
1908 . . .	23,948	599
1913-14 . . .	116,074	2,902
1924 . . .	1,000,000 (approx.)	57,000
1928 . . .	1,426,680	73,599
1930 . . .	1,939,756	56,543
1932 . . .	2,573,871	42,898
1934 . . .	4,624,111	171,470
1936 . . .	7,706,088	256,870
1937 . . .	8,816,788	326,038

A Colonial Office expert, who was by no means prone to optimistic forecasting, estimated in 1938 that the exports of tea would by 1942 have risen to 15,000,000 lb.⁵ And tea is a crop in which the Nyasaland Natives are quite unable to compete with the plantations owned and managed by Europeans. It is therefore clear that the absence of racial discrimination in Nyasaland's policies of agricultural production and marketing has not brought unmitigated disaster upon European enterprise. On the contrary, it is likely that a policy of racial defence, aiming at the protection of inefficient European producers of cotton

¹ Rhodesia Agricultural Union: Report (typed) of discussion held September 1937, p. 15.

² Cmd. 5949, Col. No. 152, paras. 161-2, suggests reasons for a possible European recovery in comparison with Native production.

³ See below, pp. 237 ff.

⁴ *Ibid.*, para. 223.

⁵ *Ibid.*, para. 225.

and tobacco, would have been far more damaging to European fortunes than the policy which has been followed. This is an interesting train of thought which cannot be followed farther. It is sufficient to have discovered that there is a real contrast both in spirit and in method between the economic policies of Nyasaland and Southern Rhodesia. In Southern Rhodesia, economic policy is in certain circumstances subordinated to racial policy; it is an instrument for defending the dominance and privileges of the white man. In Nyasaland, economic policy is no respecter of races. It is merely economic policy. This does not necessarily mean that it is the best economic policy possible, or that it is even adequate for the realization of the ends at which it aims. It may, for example, have been mistaken in placing too much emphasis on export crops. The present tendency is to shift the emphasis to a balanced system of agriculture which will produce a better diet as well as more cash, and will by a sound system of crop-rotation build up the productive capacity of the land.¹

The absence of racial discrimination in Nyasaland's economic policy may be illustrated from one other example. The government, as we have seen, has little cause to be complacent about its past handling of the emigrant-labour problem. However, in the years which followed the publication of the lurid Report of 1935 it did something to make amends. It carried out the recommendations of the Report in the matter of securing protection for those who emigrated. It faced the problems of a reform in taxation² and an intensification of home development in the hope of mitigating the 'pushes' which had made emigration excessive. Nothing which it can do, however, is likely to provide the Protectorate with mineral wealth; and there is a limit to the rate of growth which can be achieved, even under unremitting governmental stimulation, in agricultural production. Labour emigration on a large scale therefore remains a necessity. But it contains one element which the Protectorate may regard with some pride, even if the pride is mingled with regret. There are neighbouring countries which feel the need for educated and skilled Native workers, whom they themselves have omitted to train. Nyasaland can do much to supply their need. She has exported to Portuguese East Africa large numbers of teachers and clerks, of hospital dressers and office workers.³ 'The Nyasaland Native', reported a Colonial Office

¹ Ibid., paras. 136, 236, and see below, p. 127.

² Ibid., para. 480.

³ Ibid., para. 20. It is to be observed that a much larger volume of unskilled labour from Portuguese East Africa (the Nguru) has been entering Nyasaland to work on the plantations of the southern provinces: room is made for them partly by the emigration of Nyasalanders to higher-paid jobs abroad.

investigator in 1938, 'has a reputation throughout South, Central, and East Africa for intelligence and education.' This reputation is due in large measure to a standard of literacy which the investigator described as 'remarkable'. In 1936 the number of children attending school, as compared with the total number of children and young persons, was as follows:

<i>Attending school in 1936</i>	<i>Between 5 and marriageable age (1931 Census)</i>
Boys . . . 111,049	122,995
Girls . . . 82,080	111,732

No other territory in Africa can claim credit for an effort in the spreading of educational opportunity which is at all comparable with this one.¹ Moreover, Nyasaland does not refuse to the Natives whom she has educated the opportunity of bettering their own position and of serving their fellows. There are Native postmasters who handle more money than a European district commissioner.² Neither in the railways, nor in private businesses, nor in public employment is there a colour bar. Even so, the facilities for Native education and advancement fall short of the Protectorate's needs. Economic development is a pressing need, and money is short: the money must be made to go farther; more Africans must therefore be taken into the Treasury so that more Europeans may be employed in agricultural research. But this means that Africans must be given what Nyasaland had so far failed to give them, facilities for secondary education. In 1938 the provision of these facilities was judged 'a matter of urgency'.³

Nyasaland's economic problems, it once more becomes plain, arise from the comparative poverty of her resources, not from racial privileges of possession and profit. They are problems of economic policy merely, not of economic and racial policy. It is unfortunately true that Nyasaland's poverty and her racial impartiality are phenomena not entirely disconnected from each other. Mineral wealth would have facilitated the Protectorate's economic task; it would also have brought white miners and the white miners' colour bar. It was not the miner, but the missionaries, who made Nyasaland. 'Nyasaland is Livingstone's country.' Livingstone pioneered 'the open path for commerce and Christianity'; Livingstone's disciples introduced the schools (which they are still conducting and in large measure paying

¹ Cmd. 5949, Col. No. 152, paras. 28, 41. See p. 14 above for the number of South African Native children of school age who actually attend school.

² *Ibid.*, para. 384.

³ *Ibid.*, para. 435.

for), and the crops,¹ and the ideals of policy which give the Protectorate its character. Nyasaland, more than any other African colony, is a creation of the missionaries' frontier. Our question is thus answered. Nyasaland does not belong in spirit to the sphere of South Africa and Southern Rhodesia.

We have found that a real boundary exists in Southern Africa—a boundary which does not merely divide areas of sovereignty and administration, but also separates societies which follow contrasting conceptions of growth and purpose. We have not, however, discovered as yet precisely where this boundary runs. Does Northern Rhodesia lie on the same side of it as Nyasaland? It is not enough to say in answer that the same imperial authority is responsible for both Protectorates. Policy which professes identity of principle may vary, in its applications, according to the economic and social environment in which it operates, and the pressures to which it is subjected. The imperial authority has been subjected to a very strong pressure from both sides of the Zambesi, a pressure which aims at the amalgamation of the two Rhodesias, and is prepared to assimilate Nyasaland also into the area of 'white self-government' and its ideals of racial-economic policy. Space does not permit a careful examination of the economic circumstances of Northern Rhodesia, nor of the extent to which those circumstances have produced, even under British trusteeship, conditions and policies at variance with those which we have examined in Nyasaland. A few facts and tendencies only may be recalled. Whereas Nyasaland was pioneered by the missionaries, both the Rhodesias were pioneered by the Chartered Company. They have that history in common. And they have in common their railway system. Its northward extension from the Zambesi began in 1902. It brought the farming frontier with it. The mining frontier established itself belatedly with the opening of the copper-belt after the Great War. That success, as we have seen, lifted the numbers of the European population; by 1931 they had grown to 13,846, although they diminished by some thousands during the bad years which followed. This is a tiny handful of people compared with the one and a quarter million of Native inhabitants. Nevertheless, it has brought with it the attitudes and the energies which have governed policy south of the Zambesi, and it has aspired to break free from the imperial control which is inconsistent with its ideal for the proper ordering of the north. It has already established

¹ The Blantyre Mission of the Church of Scotland introduced both coffee, which first attracted European planters, and tea, which in recent years has increasingly supported them.

in the north some of its own characteristic order. There is in the two Rhodesias a single railwaymen's union, and the traveller must wait for the Congo frontier before he will see Native engine-drivers or Native guards. In the copper-belt there is a white miners' union, which is not affiliated to the organizations farther south, but is in communion with them and is fiercely orthodox about the colour bar. The copper-mines have given the farmers of the railway belt the home market for lack of which they had hitherto languished. Protected against the competition of Southern Rhodesia's farmers, they have taken to the business of growing the maize which is the staple ration of the unskilled Native workers. The production of maize has expanded; Native growers have contributed to the expansion; there have been problems of an export surplus and a diminished price. Northern Rhodesia has copied (and some say she has improved upon) the example of Southern Rhodesia. She has established a maize control scheme, which fixes, for all time, the European share of the profitable home market at 75 per cent. and the Native share at 25 per cent.¹ Even under the shadow of imperial trusteeship, the economic structures and policies of racial differentiation have been establishing themselves in Northern Rhodesia. But the white population feels that its racial privileges must remain precarious unless they are supported and guaranteed by a transfer of political power.

In an earlier chapter of this book New Zealand was taken as an example of the process by which a white colonial people, determined to possess and rule, substitutes its will for that of the imperial trustee.² The white men claim self-government as their British birthright; and how can the claim be denied? But how can the Empire's promises to its Native subjects be denied? A compromise is sought. The claim to self-government is granted; but with reservations of oversight and veto which safeguard the imperial trust. The reservations prove to be inconsistent with the principle of colonial autonomy. In substance they are from the beginning ineffective; in form they become irreconcilable with the dignity of a growing nationality. At last a Dominion is born.

Southern Rhodesia started on this path in 1923, when her white population was only 33,000. Her progress during the ensuing years was rapid. But how could Northern Rhodesia, with a white popula-

¹ *Report of the Commission appointed to inquire into the Financial and Economic Position of Northern Rhodesia*, 1938, Col. No. 145, paras. 425-9. According to the Report 'both communities' have benefited from the control. But the report makes it clear that the Native share of the home market is inequitably low—apparently because certain facts 'escaped notice' (para. 426).

² See above, vol. ii, part i, ch. i, section iii.

tion which could not maintain its numbers at 13,000, hope to emulate Southern Rhodesia's example? Even the white colonists of Kenya, who were more numerous by some thousands, had been cheated of their hopes of liberation from imperial control. But these Kenya colonists had invented a variation of the traditional colonial tactics, a variation which to the Europeans of Northern Rhodesia seemed full of promise. Having failed to liberate themselves as a single colonial unit they sought liberation by associating themselves with a federal movement. During the later nineteen-twenties the imperial authority was examining the possibilities of greater governmental efficiency which lay in the 'closer union' of neighbouring colonial territories. The Kenya colonists associated themselves with the closer union movement, and sought to associate their southern neighbours also; they envisaged a new Dominion extending from Southern Rhodesia to Kenya, a Dominion in which the white men would rule. This plan came to grief. The Southern Rhodesians retreated from the prospect of so dangerous a merging with 'the black North'. And the Royal Commission which in 1929 reported on closer union between the East African Dependencies made it clear that this union, if it took place at all, would not extend the power and range of 'white man's country'. Rather would it reaffirm the imperial principle of the paramountcy of Native interests. In 1930 the imperial government did reaffirm that principle. The white people of Kenya thereupon discontinued their agitation for a new African amalgamation.¹

But the white people of Northern Rhodesia, with a more realistic appreciation of the meaning of neighbourhood, threw themselves into a similar agitation. The chairman of the Hilton Young Commission had affirmed that the destiny of Northern Rhodesia and Nyasaland lay with the south, not with the north and east. Northern Rhodesia looked to the south to rescue her from the Imperial authority and its principle of the paramountcy of Native interests. The elected members of the Legislative Council of Northern Rhodesia made an open and formal protest against the White Paper of 1930, which reaffirmed this imperial principle. They demanded an amalgamation of the two Rhodesias. Southern Rhodesia supported their initiative, and suggested to the imperial government that the matter should be discussed in conference. That government replied in 1931 that it was not prepared at the present time to agree to amalgamation, and that if in the future any scheme of amalgamation did come up for discussion, it would have to include definite provision for the welfare and development of the Native population. But a few years later the

¹ See above, vol. i, pp. 230-1, for a fuller account.

agitation started again; the occasion of it was an attempt by the government of Northern Rhodesia to increase the employment of Native clerks in the public services. In May 1935 disturbances in the copper-belt brought a new urgency into the movement. All the elected Europeans in the Legislative Council of Northern Rhodesia pledged themselves to amalgamation. A conference which met at the Victoria Falls in January 1936 established solidarity between the Europeans on both sides of the Zambesi. A motion for the amalgamation of the two Rhodesias and the removal of the reservations which in theory still limited colonial autonomy was carried by the Legislative Assembly of Southern Rhodesia with only four dissentients. The Imperial government still refused to initiate official discussions on the matter; but promised that there would be an opportunity for unofficial discussions during the Coronation summer. These discussions were held; they resulted in the appointment of a Royal Commission to inquire into the question of closer co-operation or association between the two Rhodesias and Nyasaland. Nyasaland had stood apart from the amalgamation movement, and the Rhodesias had hitherto given little thought to her situation. But their growing dependence on the labour which she exported convinced them that it might be necessary to bring her into the combination which they hoped to form with each other.¹

The Royal Commission recommended that permanent and effective machinery should at once be provided so that the three territories would be able to co-operate constructively for the development of their combined areas. It declared that a complete amalgamation of the three territories should be accepted as the 'ultimate objective'. It believed that the amalgamation of Northern Rhodesia and Nyasaland might be carried into effect 'without delay'. But it was unable to regard amalgamation between Northern and Southern Rhodesia 'as an immediate practical proposition'. It considered that 'a further interval' was desirable.² This conclusion was a bitter disappointment to the impatient amalgamationists of Northern and Southern Rhodesia. But the report was not altogether without comfort to them.

If words have precise meanings, the words which have been quoted mean that the Royal Commission accepted the principle of amalgamation, and that the reasons which it advanced for delaying the complete application of that principle were reasons of circumstance only.³

¹ Cmd. 5949, ch. vi.

² *Ibid.*, paras. 454, 461, 477-8, 483.

³ Some impatient and therefore disappointed amalgamationists in the two Rhodesias drew this much comfort from the report. See, e.g., *Bulawayo Chronicle*, 25th March 1939, and *The Times*, 23rd March 1931. The minority Note by Mr. W. H. Mainwaring

Chief among those reasons of circumstance was the divergence of Native policy between the self-governing colony of Southern Rhodesia and the two imperial territories. The Royal Commission did not regard this divergence as a matter of principle which barred amalgamation. It did not insist that the imperial principle of racial impartiality must in all circumstances be maintained north of the Zambesi. It was ready to contemplate the northward advance of the principle of racial differentiation. It asserted merely that 'a further interval' was desirable. It considered this further interval desirable because the imperial policy and the white colonists' policy were both in 'an experimental stage', so that it was 'impossible as yet to attempt anything in the nature of a final judgement upon them'.¹ It considered also that the European community needed to be 'better prepared (both in numbers and in experience) to discharge the responsibility of governing a territory of nearly 500,000 square miles, with a Native population of roughly four millions'.² Moreover, it was impressed by 'the striking unanimity, in the northern Territories, of the Native opposition to amalgamation'.³ All these considerations moved the Royal Commission to favour a postponement of the plan of amalgamation. They did not move it to reject the plan. Amalgamation was accepted as the objective; the obstacles presumably would, after 'a further interval', disappear.

The Rhodesia-Nyasaland Royal Commission Report, it is clear, is a document not unlikely to mark a new stage in the process of 'eliminating the imperial factor', a new stage in the retreat of the imperial trustee, and in the political advance of the white settlers' frontier. If the programme contained in the report were carried out, the imperial retreat would follow the usual path of compromise, leading progressively to the substitution of one rule for another, and one principle of policy for another. But why the retreat?

The answer to this question is contained in the fact that the Royal Commission did not ask the question. It was not conscious that it was advising the imperial trustee to begin a new retreat. This arose from the pragmatic manner in which it approached the problem. Since it saw nothing fundamental in the principles of Native policy which the imperial government professed, it was able to contemplate with an open mind their displacement by different principles. It expressed no absolute belief either in the imperial policy of racial

(Cmd. 5949, pp. 252-9), from a different angle, pointed out that the majority report made amalgamation a matter of principle and Native policy one of circumstance: Mr. Mainwaring himself reversed this order.

¹ Cmd. 5949, para. 480.

² Ibid., para. 482.

³ Ibid., para. 485.

impartiality or in Southern Rhodesia's policy of racial discrimination; but considered that both policies were in 'the experimental stage'. They must be judged by their results. In certain respects the policy of racial discrimination seemed to give better results. The Nyasaland government was admittedly making reasonable use of its limited economic opportunities. But the government of Northern Rhodesia was passive before the occupation of five-eighths of the country by the tsetse-fly, with the consequent negation of pastoral occupation and the impoverishment of hundreds of thousands of unfortunate Natives; indeed, it seemed to be doing precious little for the Natives except to harp on the paramountcy of Native interests, thereby forfeiting the co-operation of the European population.¹ Yet this co-operation was essential if the material condition of the Natives were to be raised. Everywhere in Central Africa, the Royal Commission believed, there was a visible contrast between the opportunity for Native progress which existed in the areas developed by European enterprise, and the absence of opportunity in the areas where European enterprise was lacking.² Natives were materially much better off in Southern Rhodesia than they were in the two Protectorates. Southern Rhodesia's Native policy had its advantages and its disadvantages; on the one hand the better social services, on the other hand the colour bar restrictions. The Royal Commission seemed ready to consider with an open mind whether the advantages might not prove to outweigh the disadvantages. And it seemed ready to throw into the scale in favour of an expansion of the Southern Rhodesian system the increased efficiency which administrative and political integration might be expected to bring.

It is arguable that poverty is a greater evil than racial discrimination. It is arguable that the African needs one square meal a day and decent medical services more than he needs justice. But before the self-appointed trustees of the African make their choice of the alternative blessings which they will confer upon him, it will be well if they ask themselves whether the alternatives are real. How will they justify themselves if, after they have made their choice, some other African colony emerges 'from the experimental stage' and proves that racial impartiality is not, after all, inconsistent with decent medical services and one square meal a day? How will they forgive themselves if they surrender the Empire's principles of trusteeship in order to rescue the Empire's wards from poverty, and find thereafter that racial discrimination is no cure for poverty? Judgement by results is a very British habit; it is often thought a very

¹ Cmd. 5949, para. 391,

² Ibid., para. 443.

British virtue. But, before the judgement is finally delivered, it is useful to know the causes of the results which determine the judgement. The Rhodesia-Nyasaland Royal Commission was impressed by economic results; it was not curious about economic causes. It observed that colonial settlement, colonial self-government, and improved standards of living grew together side by side. It did not inquire into the origin of this harmonious growth. It observed that Natives in the fly-infested areas of Northern Rhodesia lived a wretched life, and that there were no Europeans in those areas. Was the fly in occupation because there were no Europeans, or were the Europeans absent because the fly was in occupation? Undoubtedly the establishment of European enterprise in the northern province of Nyasaland would create a local demand for labour and thereby diminish a calamitous emigration. But would a government dominated by the labour-importing Europeans of Southern Rhodesia strive more earnestly to stop the drain of men than a government responsible to the Imperial authority? Would the merging of Nyasaland in a wider unit under white colonial rule endow Nyasaland with mines? And if it did not, was it certain that white rule would increase the white population? But was it not white population which was wanted, for the sake of Native prosperity? If the higher Native earnings in Southern Rhodesia were an argument for amalgamating the Protectorates with the Colony, were not the still higher Native earnings in South Africa an argument for amalgamating the Colony with the Union? Why did Native wages get higher as one went from north to south? Was it not because the south possessed a modern economic structure based upon gold-mining? The Royal Commission asked none of these questions. In accepting the principle of a northward extension of the Southern Rhodesian system it would seem to have assumed that 'self-government' brought in its train white settlement and economic opportunity; whereas in the history of southern Africa the sequence of these three phenomena has been consistently the reverse. . . . But perhaps the Royal Commission did not definitely intend to accept the principle that the Southern Rhodesian system should, after a 'further interval', be extended to the northern Dependencies. The Royal Commission's pronouncements on matters of principle were extremely vague.

Vagueness, however, may be a cause of positive historical events. In the past history of the British Commonwealth, vagueness in stating the obligations of imperial trusteeship has been a not infrequent preliminary to 'the elimination of the imperial factor'.

VI

VARIETIES OF TENSION

Throughout the nineteenth century British colonial policy evolved amidst a state of tension which was the metropolitan counterpart to the overseas rivalry between missionaries' frontier and settlers' frontier. In the eighteen-thirties the tension took visible form in the contemporaneous proceedings of the two committees which reported on the waste lands of the Empire and on the protection of the Empire's aborigines. By open agitation and by hidden manoeuvre the systematic colonizers and the evangelical humanitarians struggled with each other for the control of policy. In New Zealand the colonizers won a rapid victory; during the generation which followed the Treaty of Waitangi the humanitarians were driven from one position to another until their only hope lay in the imperial restrictions upon New Zealand's self-government. During the eighteen-sixties the imperial authority eliminated Maori opposition for the benefit of the colonists; thereafter it eliminated itself. The tension was finally resolved by the complete victory of the self-governing settlers.

In southern Africa events took a far less simple and decisive course. The situation was infinitely complicated by considerations of strategy and of economy, by the complex racial problems of the sub-continent, and by the conflict of traditions and ways of life among the divided white people. The long-drawn-out indecision of the imperial authority expressed itself in alternating spasms of advance and withdrawal. At the end of the first quarter of the twentieth century it seemed that the tension had at long last been resolved, as it had been resolved in New Zealand, by the victory of the principle of responsible government. With the aid and approval of Great Britain, the settlers' frontier south of the Zambesi took definite political shape in the constitution of two States of European brand. One of these States—the Union of South Africa—claimed and achieved a sovereign status in international law; the other—Southern Rhodesia—enjoyed the substance of self-government. Both of them, rejecting the traditional British principle of racial impartiality, shaped their economic and racial policies in the same 'South African mould'.

Yet the tension has not been completely resolved. Its persistence is symbolized on the map of southern Africa. Great Britain has found herself unable to lay down the direct responsibilities which are vested in the Crown and exercised by the High Commissioner for South Africa on behalf of the Native inhabitants of Bechuanaland, Basuto-

land, and Swaziland. After the Great War these three territories became the occasion for a struggle of opinion in Great Britain which reproduced the tension of a hundred years earlier. The struggle still continues. One section declares that Great Britain ought straightway to demonstrate her unqualified and unfaltering faith in the principle of responsible government by transferring to the Union of South Africa areas which are an inseparable element in its geographical and economic unity. The other section believes that this immediate transfer is barred by 'the cumulative effect of our words and deeds over more than half a century and the absolute trust they have inspired that we should respect the will of these people'.¹

The people of Basutoland are British subjects, the people of Swaziland and Bechuanaland are 'British protected persons'. It was the protection of the British Crown, given during the nineteenth century in one legal form or the other, which staved off annexation by the Voortrekker republics.² In Bechuanaland this protection even availed (thanks to the importunate chiefs Khama and Bathoen) to stave off control by the Chartered Company. It did not avail to save the people of Swaziland from the land-speculators and concessionaires who secured two-thirds of their soil; but it retained for Native ownership the whole area of a diminished Basutoland, and all Bechuanaland with the exception of four or five 'European blocks'.³ The Natives of all three territories cling to their special status under the British Crown as the symbol and safeguard of their freedom.

More than thirty years ago some of those Englishmen whose vision and hard thinking prepared the great work of South African unity argued that the work would be incomplete so long as the Protectorates stayed outside the Union and a British High Commissioner retained responsibility for their good order and well-being.

'The South African problem', they said, 'had at its roots the complex and multifarious issues raised by all the relations of the white to the coloured population. No sound or coherent system could issue so long as one scheme of relations was developed in part of South Africa by a South African Government and a different system was developed by

¹ Margery Perham and Lionel Curtis, *The Protectorates of South Africa, The Question of their Transfer to the Union* (Oxford, 1935), p. 95 and *passim*. It must be stated that the two collaborators in this book take opposing points of view: the quotations which are given here and below, therefore, must not be ascribed to either author until the reference has been checked.

² This statement does not adequately cover the special and complicated history of Swaziland.

³ Notably the Tuli and Lobatsi and Gaborones blocks and the Tati concession; and in the west the Ghanzi block.

the Imperial Government in the same country side by side with it. The two authorities must in the end drift into embittered conflict with one another.¹

These Englishmen believed that division of control was the great obstacle to good government in South Africa. Had it not been always responsible for the frustrations, cross purposes, and conflicts of South African history? And had not the Natives always suffered the worst consequences of it? Would they not still suffer from its perpetuation? Did not their destiny depend absolutely upon a growing sense of responsibility among the white people of South Africa? Ought not the transfer of responsibility, therefore, to be made complete and ungrudging? This energetic pleading, whatever its general merits as an interpretation of history, neglected one stubborn historical fact. 'The obligations of His Majesty's Government to the tribes inhabiting Basutoland and the Bechuanaland Protectorate', declared Lord Selborne, 'are obligations of honour of the greatest possible weight.'

The Imperial government could hardly surrender its special responsibility for the three Native territories on the strength of an anticipation of the probable effects of responsible government, even if to some liberal Englishmen the anticipation was a matter of assured faith. This was made perfectly clear to the Transvaal in 1906, and to the South African Convention four years later. 'If the settlement of the franchise question was unsatisfactory, then the Protectorates would not be handed over.' And yet the South Africans were encouraged to believe that the Protectorates would some day be handed over! Section 151 of the Union of South Africa Act empowered the King, with the advice of the Privy Council and in response to addresses from the Houses of Parliament of the Union, to undertake the transfer; a schedule to the Act laid down the conditions under which the Governor-General in Council would thereafter administer the transferred territories. These conditions provided for administration by the Prime Minister with the advice of a commission; they forbade the alienation of Native land; they prohibited the levying of differential duties; and they asserted the King's right to disallow proclamations legislating for the territories. The schedule contained other provisions which were equally explicit. It was not in the schedule, but in the Act itself, that explicitness was lacking. The Act did not enjoin transfer. It merely permitted it. And it said nothing about the conditions under which the permission might become operative. Read in the context of history from 1906 to 1910, it would be natural to assume

¹ Perham and Curtis, *op. cit.*, p. 35.

that the permission would not become operative until the Union adopted a Native policy which could be reconciled with the principles to which the Imperial power had pledged itself. Government and parliament chose to comfort themselves with the expectation that their problem would be resolved by the victory of the Cape ideal (which was also the British ideal) throughout the Union. This was wishful thinking. It could not be justified by the evidence of actual South African tendencies. What would happen if South African policy, following the lines already sketched by the inter-colonial commission on Native policy,¹ diverged purposefully and persistently from principles which the British Empire had always maintained? Nobody dared to face this question. It would be wrong to say that Great Britain involved herself in contradictory pledges. By the vagueness of her pledges she created contradictory expectations. She created an expectation among white South Africans that the Protectorates would inevitably be transferred to them some day in the future. She created an expectation among the Natives who were under her special protection that they would not be deprived of this protection against their will.² But the actual pledges of the government were far more restricted. It promised that the Natives would be 'consulted', and their wishes 'most carefully considered', before transfer took place. And it promised to give parliament 'an opportunity of discussing, and, if they wished, of disapproving of the action of the Government'.³

The generation which followed the passing of the Act of Union witnessed a great alteration in the balance of contending forces. Within South Africa the will of those who believed in racial differentiation and segregation steadily wore down the will of those who believed in the Cape ideal of racial impartiality. Within Great

¹ See pp. 72-3 above.

² Developments with regard to Southern Rhodesia might be held to strengthen this expectation. Section 150 of the Union of South Africa Act made provision for the admission into the Union of the territories administered by the British South Africa Company, in the same permissive form as that contained in Section 151 with regard to the transfer of the administration of the Protectorates. But this permissive incorporation did not take effect because Southern Rhodesia willed otherwise. Lord Gladstone gave the people of Southern Rhodesia an assurance in 1911 that transfer would not take place without the consent of the people. In the plebiscite held after the war of 1914-18, 8,774 white voters opted for self-government as a distinct colony; 5,989 opted for joining the Union. It is certain that consultation of the people of Basutoland or Bechuanaland, whatever form it took, would have produced a greater consensus of opinion against transfer.

³ These often-repeated pledges were recalled in a memorandum handed to General Smuts on 21st July 1933 (Cmd. 4948 of 1935) and they have frequently been renewed since that date.

Britain, the will to exercise Imperial oversight diminished with the diminishment of power to exercise such oversight. Within the British Commonwealth the idea of equal status for each mature national member became the guiding principle of growth. This ideal was embodied in precise definition; whereas the common principles or 'common cause' which united the Commonwealth's equal members seemed always to elude definition. The precise definition contained in the Statute of Westminster (to say nothing of the still more precise definition contained in subsequent South African legislation)¹ rendered obsolete the legal safeguards embodied in the schedule to the Union of South Africa Act; for the Union parliament now possessed full legal power to abrogate those conditions whenever it thought fit. Given the respect for fundamental law which every South African government consistently manifested, this change in the legal situation did not substantially affect the issue; General Hertzog's government was honourably resolved to abide by the spirit of the constitution, and was ready to make the conditions laid down in the schedule a matter of treaty obligation. What did substantially change the issue was a growing disposition in South Africa to demand speedy transfer of the Protectorates as a matter of national prestige, and a growing disposition in Great Britain to accept the inevitability of transfer, irrespective of the manner in which the tension with regard to Native policy was resolved.

Those who had originally supported their argument for transfer by a prophecy that South Africa would follow the 'liberal' path in Native policy, still pleaded for transfer after South Africa had demonstrated her intention to choose the opposite path. They argued that speedy transfer was necessary to appease an offended nationalism, which looked on the continuing presence of the Imperial power within the geographical and economic framework of the Union as a kind of unending lecture to South Africans on their moral shortcomings. This refusal of confidence, they said, would only make worse a Native policy which was already 'terribly amiss'; whereas a demonstration of confidence would in the end produce the opposite effect. Besides, if the Imperial lecturer continued to embitter South African nationalism, the Natives of the Protectorates would ultimately be the chief sufferers; they would be 'starved into asking for admission to the Union', and would then be admitted on very different terms from those contained in the schedule.² This energetic and uncompromising advocacy of transfer was not met by a resistance equally

¹ See above, vol. i, pp. 275-81.

² Perham and Curtis, *op. cit.*, p. 80.

energetic and uncompromising. Even the section of British opinion which most ardently believed in the ideal of racial equality did not dare to say, as less than thirty years earlier the British government had said, that the determination of certain provinces to exclude Natives from political rights was an absolute barrier to transfer. This section of opinion argued, not for the refusal of transfer, but merely for a further postponement of it.¹

The South African government was willing to accept a period of delay provided that the period was used in preparing for transfer. On this basis General Hertzog and Mr. J. H. Thomas came to an agreement in May 1935.² The agreement enabled the British government to declare that it was co-operating with the South African government to bring about 'a situation in which, if transfer were to become a matter of practical politics, it could be effected with the full acquiescence of the populations concerned'.³ The agreement enabled the South African Prime Minister definitely to announce that transfer would take place 'in a suitable time'.⁴ The foundations of the agreement were rather shaky ones; they were from time to time shaken by South African complaints against British 'apathy' and even by South African imputations against British honesty.⁵ But the agreement was patched up again. A statement by the Dominions Secretary on the 29th March 1938 announced the intention of the two governments to establish machinery for a still closer co-operation in the development of the territories, and in matters of joint concern to the territories and the Union. It also announced the intention of the Union government to prepare 'informative memoranda' setting forth the terms on which it would propose transfer.⁶

The state of tension arising from the clashing principles of racial policy was thus being relaxed, if not resolved, by a slackening of purpose on the part of the power which once had been Imperial. But, even while this was happening, other varieties of tension were making themselves manifest. Not all of them directly affected political relations between two governments of the Commonwealth. Some of them gave promise of creative effects.

One effect of the political controversy about the future of the Protectorates was to focus attention upon their economic condition. Those Englishmen who believed that transfer ought to take place

¹ *Ibid.*, pp. 80 ff. Cf. Lord Lugard in *The Times*, 22nd Feb. 1938: the only issue was immediate or deferred transfer.

² Cmd. 4948 of 1935.

³ *The Times*, 10th July 1937.

⁴ *Ibid.*, 12th July 1935.

⁵ *Daily Telegraph*, 5th July 1937; *The Times*, 7th July 1937.

⁶ *The Times*, 30th March 1938.

immediately laid emphasis upon the economic dependence of all three territories on the Union, and upon the economic neglect which they were suffering under the administration of the distant power which professed to 'protect' them. Those other Englishmen who desired a postponement of transfer argued that Great Britain would be shamed if she surrendered the territories before she had repaired the consequences of her past neglect; that she ought to set herself to this work of repair with the aid of her best colonial experience and in close association with the Native administration of the Union; that she might, by making a big effort, transform the arid political controversy into an experiment in economic and educational statesmanship, from which both the Protectorates and all South Africa would benefit. These anticipations were proved by the event to be better founded than most of the liberal visions of that period. The progress made in realizing them will be illustrated in turn from Bechuanaland and Basutoland.

Inquiries into the financial and economic position of these two territories, which were published in the years 1933 and 1935, certainly gave the Imperial trustee little cause for self-congratulation.¹ The finances of both territories were in a bad state and their economic resources (like those of most other Native areas in southern Africa)² were being depleted by neglect and misuse. The immediate problem which confronted the administration in both territories was the problem of water; but whereas in Basutoland this meant controlling the flow of water in order to combat erosion, it meant in Bechuanaland the increase and conservation of a scanty and capricious supply.

Bechuanaland is a country as large as France, but the half-dozen distinct though related tribes which occupy it number scarcely more than 250,000.³ The Native laws with regard to land tenure assume, as well they may, a plentiful supply of land; they also assume (what is more dubious) its agricultural as well as its pastoral use.⁴ Agriculture is only possible on the outer fringes of an arid country whose dead heart is the Kalahari desert; even on these outer fringes the variability of rainfall means that cultivators reap a reasonable harvest only once every four or five years. Bechuanaland as a whole may be described in the Australian phrase, 'sparse pastoral country'.

¹ *Financial and Economic Position of the Bechuanaland Protectorate*, Report by Sir Alan Pim, Cmd. 4368 of 1933. *Financial and Economic Position of Basutoland*, Report by Sir Alan Pim, Cmd. 4907 of 1935.

² See above, p. 69.

³ The 1921 census, quoted by Sir Alan Pim (Cmd. 4368, para. 11), gives a figure of 150,000. The 1936 census estimates a Bantu population of 260,064.

⁴ I. Schapera, *A Handbook of Tswana Law and Custom* (Oxford, 1936).

In 1930 it carried roughly a million head of cattle; eight years later (veterinary oversight made possible a fairly exact enumeration) it carried 660,000. The diminution of numbers was due chiefly to long-continuing drought. The carrying capacity of the better areas is usually reckoned at one head of cattle to about 10 morgen; in less favoured regions it is nearer one beast to 20 morgen. In recent years the administration has made strenuous efforts to increase this carrying capacity, and also to improve the quality of the cattle. Their condition varies with the seasons, which for five or six months of a normal year permit a natural growth, and for the rest of the year inflict on all live stock a condition of arrested growth or of positive deterioration. It is only by increasing the supply of feed that the numbers of cattle can be increased and their condition improved. It is only by increasing the supply of water that the supply of feed can be increased. It may well be true that the water table has been falling throughout the Protectorate: in the middle of the nineteenth century Livingstone referred to the *annual* flow of the Okavango river, and other travellers after Livingstone made similar references; but in the twentieth century there is no question of the flow being an annual one.¹ Nor is there any question of irrigation; only in some eastern districts does there occur from time to time a flow of water to waste. In these districts the administration has planned a scheme of storm-water reticulation which will spread the intermittent flow and thereby make possible an extension of agriculture, to the benefit of the Protectorate's trade balance and the nutrition of its inhabitants. Everywhere else in the Protectorate the problem is one of multiplying the underground sources of supply. The most urgent need is to procure domestic water for villages which are menaced by the shrinking of supply. The next need is to bring relief to grazing areas in which the stock are congested around a few wells, eating out and tramping down the grazing in their vicinity and unable to profit by the good feed further out. The third step is the opening up of new grazing areas. The administration believes that by carrying out this programme it will double the cattle-carrying capacity of the territory.

Much has already been achieved. The achievement has depended on the solution of problems which are technical, administrative, and human. The technical problems are those associated with locating the probable sources of water, sinking bores, and providing pumping machinery. In their last stage they merge into the administrative and human problems; the administration cannot afford to pay for the close supervision of bores and pumps, nor can it permit the Natives

¹ See *Report of Ngamiland Waterways Surveys of 1937*, by J. L. S. Jeffares.

to spoil the work which it has done by neglect or misuse of the machinery, or by over-grazing around the new bores. It has therefore provided an animal-gear pump, inexpensive to run and capable of standing up to rough usage, and has put upon the tribal administrations the responsibility of maintaining the apparatus. In this way it has made the new pastoral development a part of tribal life, while retaining for itself sufficient power (it could if necessary close and seal the bores) to guide the tribes into an intelligent using of their new opportunities. In its efforts to improve the breed of cattle it has associated itself similarly with tribal initiative. In each Native Reserve it has established a live-stock improvement camp to breed bulls and to be a centre of distribution; the camp is intended to be a tribal possession, managed by a committee in which the tribal representatives outnumber the European experts and officials, and financed by transactions accounted for in the tribal treasury. If a name must be given to this intelligent method of eliciting Native co-operation and developing Native responsibility, it can be called indirect rule. The Natives already possess in their *kgotlas* the traditional institutions and procedures of community decision in accordance with law and custom: in some degree they are trained for self-government. But they are not trained for progress. In attempting to modify their institutions towards this end the administration has asked a great deal—perhaps at one time it asked too much—of Native conservatism.¹ But by patience, flexibility, and firmness it has awakened a response. Intelligent tribesmen have discovered a new and absorbing interest in the task of preparing for their people new paths of economic and social progress.²

Other work is being done: communications are being improved and new schools opened; hospitals in the more closely situated districts are being enlarged and dispensaries established in outlying districts. Some people who used to complain of the Protectorate's

¹ The reference is to the Proclamations Nos. 74 and 75 of 1935, to 'define and regulate the powers of chiefs' by a modification of the tribal judicial and administrative systems. The validity of the Proclamations was challenged by the Chiefs Tshekedi and Bathoen. The Hon. Mr. Justice E. F. Watermeyer accepted the contention that the Proclamations involved changes in Native law and custom; but rejected the argument that there was any limitation on the sovereignty of the Crown which barred these changes. As a sequel to this judgement, and by the tact of a Resident Commissioner with Nigerian experience, the Chiefs and the Administration came to an agreement with regard to the working of the reformed order. Tribal treasuries were established by Proclamations Nos. 34, 35, and 63 of 1938.

² In 1938-9 the Native Treasury of the Bamangwato tribe was handling £10,017: the chief items of expenditure were administration (£4,435) and development (including £4,034 for education and £485 for the cattle-improvement stations). I found the accounts interesting, but the Treasurer still more so.

neglected state now wonder whether the Native mind will be able to adjust itself to so rapid a progress! It is the Colonial Development Fund which has made the progress possible. Between 1933-4 and 1938-9 the grants-in-aid which it approved for the benefit of Bechuanaland amounted to £460,000; the loans which it approved amounted to £291,254. Here is a novel element in the tension between the High Commissioner's government and the government of the Union. Financial segregation is one of the political catch-cries in the Union; it means that the poorest section of the South African people, the Natives, shall bear the whole cost of their own development. The administration of the Union spends a good deal of ingenuity in evading the worst consequences of this popular but impossible theory. In November 1938, when the joint advisory conference on co-operation between the Union and the Territories made its first tour, Union administrators were able to see the contrary theory in action. Such an experience cannot fail to be challenging.

Is it likely that the new efforts of the Imperial government to fulfil its trust by means of a positive economic policy will bring any nearer the day when transfer can be effected 'with the full acquiescence of the populations concerned'? Even in the days when British protection signified little more than the mere presence of an inactive British administration, the Bechuana tribes clung to it with a persistent and embarrassing devotion. Is it likely that they will willingly let it go now that it signifies so much more? Even if association with the Union were to offer them a comparable economic advantage (the possibility of this will be tested by the finance which the Union's parliament is willing, over a long period, to make available for the Native Trust) their repugnance against transfer would not easily be overcome.¹ In April 1936, when the Union government offered a contribution of £35,000 towards the development of the High Commission Territories, the council of the Bamangwato and the spokesmen of other tribes raised a cry of protest and alarm. They believed that they would soon find themselves under Union administration if they accepted Union money. Their resistance made it impossible for the British and Union governments to advance along this path of financial co-operation.

If the white people of South Africa really wished to prove their

¹ One fact may be cited to show that the repugnance was not merely sentimental. In 1935, 7 per cent. of the Native population of the Union was found guilty of offences under the tax laws and miscellaneous minor matters; whereas less than 1 per cent. of the Native population of Bechuanaland was found similarly guilty. Of this number only half went to prison. In 1939, however, the Union announced its intention of modifying its procedures and sanctions with regard to revenue offences.

goodwill towards the Natives of Bechuanaland—so the tribes argued in 1936—they would abolish the restrictions upon the export of Bechuanaland cattle. We must spend some time upon the problem of the cattle trade. For Bechuanaland it is of crucial importance. As for the Union, we can see in its handling of the trade a typical picture of the conflicts and compromises out of which policy arises. Bechuanaland is naturally a part, and a useful part, of the South African pastoral area; it is to the interest of many farmers to import Bechuanaland cattle. Other farmers, however, believe that the trade is competitively damaging to them, and protectionist sentiment in general is offended by it. Then there is the mining interest, which wants to import labour. If the Natives can make a living by exporting their cattle, is it likely that they will still export their own working bodies?

As a cattle-producing country Bechuanaland stands in a similar relation to the Union as the west of Ireland stands in relation to County Meath and Great Britain. Reciprocal interest, if it is allowed to operate, finds its natural expression in an eastward movement of live stock. Under South African conditions it takes, on the average, eight years for an ox to grow to the weight of 1,000 lb.; for the first four years this growth is rapid, but thereafter it is slow. It is not in the interest of Bechuanaland to keep cattle after they are four or five years old; the country cannot produce the feed for fattening them satisfactorily, nor do the Native producers possess the necessary equipment (for example, in fencing), or the necessary experience. Farmers in the Union, on the other hand, can provide the pastures, the equipment, and the experience. If they purchase Bechuanaland store cattle, they can make a good profit, either by holding them for some years as trek animals and thereafter selling them for the low-quality meat market, or by fattening them for immediate sale in the high-quality market. So far, then, it would appear that complete free trade between Bechuanaland and South Africa is in the common interest of both parties. This conviction found expression in the old inter-colonial customs union, and in the agreement which the Union made with Bechuanaland (and the other High Commission Territories also) in 1910.

Unfortunately, this real reciprocity of interest has been to some extent masked by the development of the area south of the Zambesi as a surplus producer and exporter of meat. This development recalls the situation of Southern Rhodesia's maize industry. The surplus of meat is proportionately far smaller than the surplus of maize: nevertheless, it is easy for struggling white pastoralists—or for the

importers of labour—to fan racial-protectionist sentiment and demand action against Native competition in the white man's market. Step by step the Union has hemmed in Bechuanaland and restricted its trade. Some of these restrictions belong to the order of veterinary precaution; but although their effect has been at times extremely onerous, and although their intention seems to be protectionist, their merits cannot be argued here.¹ There are other restrictions whose intention is plain. Up to 1923 Bechuanaland was free either to export cattle on the hoof through quarantine camps, or else to dispatch them by rail to the Johannesburg abattoirs. In 1923, as a sequel to triangular discussions between the Union, the Protectorate, and Southern Rhodesia, the two latter lost their freedom to export on the hoof, but retained unrestricted freedom to export by rail. This suited Southern Rhodesia well enough; but to Bechuanaland it was a real loss. Other losses followed rapidly. In 1924 the Union limited freedom of export by rail by fixing a minimum live weight of 800 lb. for slaughter cattle. In 1926 the minimum weight was fixed at 1,000 lb. For a period no new restrictions were imposed. But the situation changed for the worse as a sequel to the collapse of the world market for beef in the nineteen-thirties. In 1934 the Union established a live-stock and meat control scheme with the object of raising prices in urban markets and compensating exporters (not a very large class) for low overseas prices.² It was naturally quite out of the question to allow the Bechuanaland producers unlimited access to the artificially profitable home market while imposing upon them no share of 'the burden of export'. It would, however, have been possible to treat all producers in the Union and the Territories as partners within the same economic area, adjusting the returns from export prices and home prices with equitable regard to the interests of all. The Union chose rather to screw still tighter the restrictions on export from the Territories. It imposed on Bechuanaland a quota restriction which limited the Johannesburg market for her cattle to 10,000 a year.³

But the Protectorate has an annual surplus for export many times this amount. How can the surplus be disposed of? There once were useful alternative markets in Northern Rhodesia and the Congo;

¹ In 1927 lung-sickness restrictions were imposed: between 1932 and 1935 the Protectorate took extraordinary and expensive measures to comply with the Union's extraordinarily stringent foot and mouth restrictions. If, however, the situation of all three Territories is considered together, it will be seen that veterinary restriction cuts both ways; Basutoland, in her efforts to improve the quality of her stock, imposes strict restrictions on imports from the Union.

² Act No. 48 of 1934.

³ Raised in 1938 to 12,500.

but these markets, which were never very large, are now closing. There used to be a direct outlet for 12,000 or 18,000 cattle a year to Italy—and here the Union gave direct help to Bechuanaland by means of favourable railway rates to Durban. But the real outlet has been smuggling. Between 1936 and 1939 smuggling developed into a colossal business. It became a 'racket', an economic and sociological monstrosity which still awaits the examination of a South African social pathologist. There are 'legitimate' smugglers and 'illegitimate' smugglers, little men crossing the borders to buy a few 'treks' or 'tollies', and big speculators who buy cattle by the thousands. Little or big, they thrive on the racketeer's abnormal profits. Officials on both sides of the border understand very well the undesirable features of a traffic which they are unable to prevent. But, even while they do their best to carry out their orders, they can hardly fail to be glad that the task is too big for them. For the evils of the illegal trade, great though they are, do not compare with the evils which would follow a total stoppage of trade. To break up altogether the natural collaboration between Bechuanaland and the Union would be wreckers' work, damaging to legitimate South African interests and calamitous to Bechuanaland's prospects. Yet it may be doubted—for there is the safety-valve of labour emigration—whether even this affliction would 'starve the Protectorate into the Union'.

The internal circumstances of Basutoland and its economic relations with the Union present in many respects a contrast with those of Bechuanaland. Although Basutoland is completely surrounded by Union territory it is a more independent country, not merely because of the real national feeling which unites its half million people,¹ but because of their more advanced capacities and the material resources at their disposal. It is, indeed, true that Basutoland cannot live a self-sufficient existence. Her economic order is geared to the export of labour, wheat, maize, wool, and mohair. But the labour is of high quality; on the mines it is employed in the more difficult and responsible tasks, such as shaft-sinking. The wheat is of high milling quality; it could if necessary find outlets overseas. The wool goes directly into overseas trade.

Basutoland and the Union have on the whole lived together as economic 'good neighbours'. The Union has regularly paid to Basutoland the 0.88575 per cent. of customs revenue agreed upon in 1910;

¹ Perham, *op. cit.*, p. 118. 'I maintain that they are that mysteriously formed entity, a nation.' The Native population was estimated in 1911 as 401,807; in 1921 as 495,937; in 1936 as 559,273. Density per square mile was estimated in 1911 at 34.41; in 1921 at 42.44; in 1936 at 47.99. For comparison with the Transkei, see *Cmd. 4907*, para. 54.

its railways have given impartial service as common carriers; its post-primary educational establishments have accepted Basutoland's clever boys at the ordinary fees; its experts have from time to time given the Basutoland administration the benefit of their experience and advice. The people of Basutoland on their side have offered their labour to South African farms and mines, and have given to South African manufacturers the bulk of their custom. It is to the interest of the Union as well as to that of Basutoland to preserve this economic good neighbourhood. The mines of the Rand and the farms of the Orange Free State could hardly suffer the erection of barriers against the entry of Basutoland labour, and the manufacturers and distributors of the Union would not wish the Territory to transfer its custom elsewhere.

The report of Sir Alan Pim upon Basutoland was fundamentally more encouraging than his reports on Bechuanaland and Swaziland.¹ Financially the position was less serious; the deficits of recent years had not as yet quite consumed an accumulated surplus. Economically there was a great deal to hope for from the agricultural and pastoral resources of the country and the intelligence of its people. But the resources had been squandered, and the intelligence left without guidance. The administration had done nothing effective to check erosion, which was occurring on a scale that threatened 'the whole fabric of the soil'. It had done nothing effective to check stock theft, which was occurring on a scale that threatened to undermine both the moral integrity and the economic productivity of the Basuto people. It had not even been effective in collecting the taxes which were its due. Basutoland suffered from a lack of governance which was sometimes dignified with the title of 'indirect rule'. Never since the British government first took to itself responsibility for Basutoland, Sir Alan Pim said, had it given the country rule of any sort, direct or indirect. Indirect rule meant the incorporation of Native institutions into a single system of government, under the 'continuous guidance, supervision, and stimulus of European officers'. It regarded Native institutions, not as an end, but as a means towards the development and welfare of the Native people to whom the institutions belonged. But in Basutoland the Chiefs of the family of Moshesh had been allowed to go their own irresponsible and increasingly prodigal way; there were two

¹ The report on Swaziland is Cmd. 4114 of 1932. Swaziland's position is different from that of the other two territories; the Natives have already lost two-thirds of their land, and Native tax is 35s.; they have less reason for withholding acquiescence to transfer than the Natives of the other two territories.

parallel sets of institutions in the country, and both of them were futile.¹

Sir Alan Pim revealed the evil effects of this lack of governance on every branch of administration and the life of the people. Five years later a systematic review of Basutoland's progress since the Pim Report revealed under every head a very different picture.² It is not necessary to record here details of the progress made in education, health, public works, and the rest. But certain general features of the progress deserve to be emphasized. In the first place, although it had been stimulated by help from the Colonial Development Fund, it had been largely paid for out of revenue, and this during a period when the Territory was accumulating a general surplus of over £150,000, and a reserve of over £30,000 in the education fund. By every strict test that can be applied Basutoland is to-day financially self-supporting. Secondly, Basutoland now possesses an administration which combines the efforts of European officials and Native institutions towards the achievement of a single end. It is not merely that the structure and personnel of the European administration have been overhauled, and that proclamations dealing with Native courts and Native administration have brought formal conformity with the tradition and practice of indirect rule, as it is understood in Nigeria or Tanganyika. There has been an inward change also. The Paramount Chief expresses its significance thus: 'The Resident Commissioner and the Paramount Chief are now one—there are not two governments but one government.' Without this unity of purpose the administration would not have been able to succeed in elementary tasks such as the effective collection of its taxes and the suppression of stock theft. Still less would it have been able to bring about those far-reaching changes in the outlook and agricultural technique of the Natives which are essential for victory in the struggle which is at last being fought to save the soil of Basutoland for the people.

This struggle is an exhilarating one. Its strategy will repay study. It demands, to begin with, a plan of land engineering. In the agricultural 'lowlands' (a foot-hill strip over 5,000 feet above sea-level) the downward rush of storm waters used to sweep away every year thousands of tons of good soil and cut deep dongas or gullies which were continually enlarging and multiplying themselves and drying out the surrounding soil and sub-soil through seepage. The agri-

¹ Cmd. 4907, ch. iv.

² *Annual Report on the Social and Economic Progress of the People of Basutoland, 1938.*

cultural engineer's problem is to attack this evil at its source by breaking up the downward flow of water and dispersing it, just as a force of police attempts to stem the rush of a dangerous crowd by scattering its individual members. The method employed is to construct contour ridges which will hold up the rush of water and lead it gently down to a stream, or to a rocky surface, or to an artificially planted grass strip. The building of earth or wire weirs, the construction of earth dams, and the planting of trees,¹ support at strategic points the system of contour banks; these works retain or disperse surface waters and hasten the silting up of dongas. The work was begun on an experimental scale in 1935; in 1936 the Colonial Development Fund approved a loan of £160,233 for its prosecution; in 1937 large-scale work was begun. Two years later nearly 3 million yards of contour bank had been constructed, 171,000 trees had been planted and 49 dams had been completed. The work of immediate rescue or protection has been so planned as to free adjoining areas from menace. The land saved from erosion is therefore much greater than the land directly treated. The success already achieved in areas which once seemed irreparably ruined is spectacular. The official report does not exaggerate when it describes 'once bare slopes now carrying a luxuriant growth of grass, old dongas silting up and grassing over and new ones checked in their infancy, springs flowing with increased strength and dams everywhere for thirsty cattle'.

In the pastoral highlands,² which rise to the crest of the Maluti mountains 11,000 feet above sea-level, the challenge is a less dramatic one, and the response has necessarily been more deliberate. There is some spectacular erosion from ill-constructed bridle-paths and on the steep slopes of the valleys, where agriculture is carried up to the 8,000-ft. level; but the most pervading menace is the encroachment of poor scrub into mountain pastures which have been mishandled by over-grazing and bad pasture management. This vegetational deterioration threatens to remove the natural protection of the soil. Erosion in these high altitudes is a menace to the future of the lower lands, not only in Basutoland, but in all the area which is watered by the Orange and Caledon rivers. Fortunately the govern-

¹ The tree most favoured is *Robinia pseudoacacia*: its virtues are that it suckers and spreads, sprouts when cut (it can thus contribute to the fire-wood problem), and does not, like the eucalyptus, interfere with the growth of grass beneath it.

² It was not until after 1880 that congestion in the lowlands stimulated widespread occupation of the highlands: population pressure and the effects of the Union's land legislation of 1913 hastened the speed of occupation. The highland area makes an important contribution to the economy of Basutoland: it provides 75 per cent. of the sheep and the wool, the two most important exports.

ment of Basutoland has already opened its campaign of defence. Its first move was to plan and carry through a reliable ecological survey of the highland area.¹ At the same time it set itself the task of re-grading the existing bridle-paths and providing a simple but satisfactory system of communication for the whole highland area. These things, however, are only a beginning. The agricultural officers aim at nothing less than the transformation of Native economic technique in the highlands—a new system of rotational grazing, new methods of ploughing the sides of valleys, the introduction of grass strips, and a substitution of crops so as to procure the best cover for the soil.²

Had the traditional lack of governance persisted in Basutoland, it would have been vain to hope for this necessary and necessarily rapid change in the Native's relation to his soil. The great successes which have already been achieved were made possible by the fusion of European administration and Native institutions in a partnership aiming at a single end. It was sound policy to begin the first demonstration of anti-erosion measures at the head-quarters of the Paramount Chief. With his co-operation, and with the co-operation of the district Chiefs, the work got under way; before long it produced visible results which awakened interest and approval among the masses. The construction of contour banks demands an immediate alteration of technique in the arable fields; henceforth ploughing has to follow the contour lines, instead of going up and down the hill. The agricultural reformers in Basutoland cannot hope to introduce terracing on a large scale; that would be a labour of centuries. But they have made a beginning by encouraging the villagers, and particularly the village women, to establish little terraced gardens for the growing of fruit and vegetables. By 1936-7 there were 837 of these gardens; by the end of 1938 there were 3,000 of them; it is hoped that there will within a few years be 20,000 of them. Thus the campaign for soil conservation merges into the general design of agricultural policy, which aims at providing the Basuto people with a more balanced diet, and at increasing their purchasing power through an improvement in agricultural productivity. There are many roads towards this improvement, and all of them are being followed—the breeding and distribution of better seed, improvements in crop rota-

¹ R. R. Staple and W. K. Hudson, *An Ecological Survey of the Mountain Area of Basutoland* (1938). These experts concluded that *sehalahala scrub* had occupied 13 per cent. of the mountain area, resulting in a 50 per cent. diminution of carrying capacity and an increased danger of erosion, since the scrub gives little protection. Already half of the area which it had occupied was badly eroded.

² Maize is a poor anti-erosion crop; wheat a good one. Efforts to encourage substitution have to reckon with the traditional place of maize in Native diet.

tion and the use of manures, and the popularizing of better methods of cultivation. Statistics of production encourage a belief that the yield per acre is already increasing.¹ Other statistics indicate that very deep changes in Native outlook are taking place. For example, throughout a period in which the natural increase of cattle was high and the total of cattle imports was double that of exports, the census of the cattle population showed an increase of only a few score of thousands. These figures can only have one explanation—that the Natives are already on a large scale increasing their consumption of meat. So radical a change in the traditional Native attitude to cattle is an indication that something more than an agricultural revolution is taking place.

Enough illustration has been given of the new era which has opened in Basutoland. The state of tension which expresses itself in the controversy about the transfer of the High Commission Territories is producing creative results. It has stimulated the British administration to formulate and carry through an active policy ; it has challenged the South African administration to emulate that policy. The agricultural and administrative experts of the Protectorates and the Union are in close and stimulating contact with each other. Yet there remains a continually present possibility that practical administration and 'practical politics' may find themselves clashing. The greater the success which the administrators achieve, the greater become the demands on the political wisdom of the Union. Progress in Basutoland makes crude solutions of the problem impossible. They may, of course, be attempted. But the brusque transfer of administration over the heads of an unwilling people would not resolve the tension. It would merely substitute for the present inter-governmental problem a new problem inside the Union's boundaries.

The Basuto people have for long possessed an independence of spirit ; their progress in mastering the problems of their own soil will strengthen their confident individuality. The Europeans of the Union, if they are wise—or even if they are merely consistent—will not regard the new order and outlook as a menace, but rather as

¹ *Total crop yield (Maize, Sorghum, Wheat, Peas, Beans, &c.)*

	1934	1935	1936	1937	1938
Bags of 200 lb. . . .	811,947	1,032,325	982,258	1,965,303	1,438,592

Comparison is difficult because of the variability of the seasons: 1937 was an exceptionally good season ; 1936 and 1938 were both below the average and about equal to each other. The figures do definitely suggest an upward movement in the yield of agriculture ; although the trend will not be unmistakably clear until the records of a few more years are available.

an encouragement and an opportunity. They have insisted (and not a few of them have sincerely insisted) that their policy of racial differentiation has a positive side; that it aims at making the special areas set aside for Natives real centres of development and varied opportunity. Into such a design of policy a progressive Basutoland will naturally fit. Basutoland and the Transkei, reciprocally stimulating each other to new advancement, will take their place together at the apex of a living and growing Native society. The policy embodied in the Native Trust, if it is sincerely and resolutely pursued by the Union, may some day build a bridge over which the Basutoland Natives will at last pass, not unwillingly, into closer association with their six and a half million South African brothers. Then at last—let us see our visions and dream our dreams—the tension between the two governments will be resolved, finally and creatively.¹

But there is a deeper tension which exists within the Union itself, and this tension will not be removed even if Great Britain and South Africa settle the problem of transfer by exercising the highest political wisdom. No formula of 'parallel development', or 'the paramountcy of Native interests in Native areas', or 'segregation', can perform the magic of 'finally solving' the Native question by a clean-cut separation of races. There is room in the Native areas for less than half of the six and a half million Natives. It is impossible to conceive such an enlargement of these areas, and such a refashioning of South Africa's economic structure, as the idea of 'total separation' demands. Economic necessity has decreed that the territorial separation of races can only be a partial one.

It follows that efforts directed towards the political and institutional disentanglement of the races can win only a partial and provisional success. The Natives Representative Council is a case in point. General Smuts emphasized, during the franchise debates of 1936, the opportunities which this new institution would offer for the political development of Natives. Since 1936 the Native members of the Council have given proof of their sober political abilities. Nor have they been slow to appreciate the constructive side of governmental policy in the Native areas. But inevitably they have shown considerable concern with that greater number of their people who

¹ When, a year after writing this paragraph, I read the fourth of Professor R. F. Alfred Hoernlé's Phelps-Stokes Lectures, I realized that my thought had very closely touched his. My following paragraph, however, which once again insists on the fact of an indissoluble economic partnership, rejects at an early stage the practicality of an ideal which Professor Hoernlé is more reluctant to renounce—a total separation of the races, conceived in the spirit of trusteeship. See *South African Native Policy and the Liberal Spirit*, Lecture IV.

by necessity live their lives in European areas. This concern is bound in time to lead them into consideration of the general policy of the country. Despite the humble political status assigned to the Council it may well become the symbol and the voice of a will at variance with the will of parliament. South Africa did not 'solve' her racial problems by the legislation of 1936; their 'solution' (if it is ever achieved) will be found only in a distant future. South Africa may avoid a conflict of races. But it has been ordained by her history that she must live her life amidst inter-racial tension.

The forms which that tension will take are not yet fully clear. There is, for example, the uncertain position of the Coloured people. In 1926 General Hertzog asserted emphatically that their destiny lay on the European side of the line of racial division. He did not repeat that assertion in 1936. There were signs by then that the Coloured people were being steadily pushed on to the Native side of the line. If these signs prove to be true, what will the future bring forth? Will it bring forth a united front of all the depressed races of South Africa, welded and inspired by some Coloured leader of genius? In 1926 and in 1929 General Hertzog warned the Europeans to beware of creating this danger for their children. But perhaps the Coloured people and the Indians will content themselves with a middle place in a South African caste system, below the Europeans but above the Natives? Can we believe in the stability of such an arrangement? Can any caste system be stable if it is not supported by a religious sanction? Will the white men of South Africa become Brahmins? If not, will they become Spartans? These questions spin out indefinitely. There is no answer to them. Yet thoughtful South Africans must ask them. They stand too close to the policy of their day to know whether its emphasis on the separateness of each racial particle of South African humanity represents a deviation of the white man's purpose or its determined trend. They know only that the answer to this question will govern the future destiny of their country.

The decisions of the white rulers of South Africa are the product of tension within their own racial fellowship. We have seen a good deal of its economic and psychological roots,¹ and we could explore these roots still further. The tension between the two linguistic sections of the European people has its material aspect; the English-speaking South Africans are predominant economically, the Afrikaners are dominant politically. This situation has psychological repercussions which profoundly affect the relationship between

¹ See above, pp. 8-12 and pp. 46-7.

Europeans and non-Europeans. But we must content ourselves with reviewing the theoretical and political formulations of these deep interests and feelings, remembering that they do not strictly follow the line of linguistic division.

Within the historical period covered by this chapter one phase of theory and policy gave place to its successor. The phase of liberalism, of racial impartiality, of 'equal rights for all civilized men', gave place to the phase of racial differentiation, of 'segregation'. There is no denying that the contrast is a sharp one. The retreat of Cape liberalism before the racial-political philosophy of the North is an event of great historical significance. The expression of the new principles upon the statute book of a member nation of the Commonwealth is a challenge to the ideal by which the Commonwealth justifies itself to the world. Nevertheless, the contrast and the challenge can be exaggerated. The exaggeration arises out of a natural tendency to tie historical facts into separate bundles and give each bundle its distinctive label; but the bundles always threaten to fall apart, and the labels never quite stick. Between the successive South African phases of 'equal rights' and 'segregation' there has been considerable continuity of policy. For this continuity there are two reasons. First, the liberal generation did not act in full conformity with its principles. Secondly, the segregationist generation did not act in full conformity with *its* principles.

The achievements of the liberal age were of a distinctly mixed character—civic dignity and responsibility for the Coloured people; indentured Indian labour; education and a vote for ambitious Natives; compounds or slums for the masses; the council system in the Transkei; the 'open canteen' west of the Kei; the 'colour-blind' theory of civilization; the colour bar at Kimberley diggings. Both the good and the evil sprang partly from the liberal theory, and partly from its repudiation. The symbols of liberalism were a non-racial franchise and free purchase of land. But in Natal the number of Natives on the voters' roll never reached double figures; both in Natal and Cape Colony it was a policy of protective segregation which saved for the Natives the bulk of the land which belongs to them to-day.

The segregationist age is in debt to its predecessor. There is a good deal in the Native Trust and Land Act of 1936 which can be traced back to Sir Theophilus Shepstone. There is not much in the colour bar policy which cannot be traced back to the Kimberley diggings. Principles belonging to a liberal conception of the State are accepted by segregationist legislators and administrators, as if

in proof (theory or no theory) that they are impartial borrowers. Native workers retain the right of combination; if the Industrial Conciliation Act refuses to recognize their combinations, the Wage Act does not. One Act is based on the principle of racial differentiation, the other on the principle of racial impartiality. The government calls into counsel economists whose reports emphasize and reiterate the precepts of liberal theory. The Wage Board listens to these precepts. The practices of the segregationist generation, like those of its predecessor, are of a mixed character. The good and evil in them, whatever the standpoint from which good and evil are judged, cannot be correlated automatically with their conformity, or lack of conformity, to the prevalent theory. The methods of labour recruitment belong both to the liberal and to the segregationist age. The Urban Areas legislation, which is definitely a product of the segregationist age, has two aspects. On the one hand, it increases the restrictions on Native freedom of movement and rights of property. On the other hand, it sets in motion a work of slum clearance and re-housing which, despite some petty meannesses and glaring insufficiencies, still signifies for Native city-dwellers the advent of a new era of decency and hope. It is a resurgence of the old policy of racial *refoulement*. It is also the emergence of a new policy of social planning.

We need not wonder that the state of tension out of which European policy struggles to take shape is also in considerable degree a state of confusion. We have seen the reason for this confusion. If this chapter has revealed anything, it has revealed that South African history has been made and is being made, not only by the theories to which the struggling governments and parties appeal, but also by facts which will not be fitted into the theories. An inability to recognize 'the potency of fact'¹ explains many of the frustrations of South African policy; its result is a persistent maladjustment between the ends which are proclaimed and the means which are available for their achievement. We have seen that the economic collaboration of land, capital, and labour is the *pons asinorum* whose crossing not even the most ardently segregationist government dare attempt. The policy of racial separation cannot command the economic means necessary for its full realization; but finds itself continually at cross-purposes with economic fact. On the other hand, the ideal of racial impartiality, to which the Cape was converted during the nineteenth

¹ It is interesting to note that in the age of segregationist ideology parliament regularly voted funds for social research which justified itself by 'a belief in the potency of fact'. See E. Malherbe, *Educational and Social Research in South Africa*, p. 39 (S.A. Council of Education and Social Research, Series No. 6).

century, found itself continually at cross-purposes with the facts of racial and cultural individuality. Economic *laissez-faire*, the rule of law, and a non-racial franchise are not by themselves sufficient to produce the harmonious collaboration of races in a united community. The discoveries of anthropological study during the past generation have made it plain that the impact of the European economic system is powerful enough to shake Native society to its foundations; but that neither economics nor politics nor even Christianity can rapidly produce the deep adjustment of habit and spirit necessary to transform the material and external collaboration of races into a living reality.

A few years ago it seemed that liberal theory was completely shattered. Some abashed liberals were moving to the extreme of recantation. The tension would be harmoniously resolved, they were proclaiming, if only the Natives were enabled to develop 'along their own lines'. But the facts forbid so easy a solution. It is not merely that the lines of Native and European development cross and tangle with each other inextricably in the processes of economic life. The development of Natives 'along their own lines' is not good enough even for compact Native areas like Basutoland or the Transkei. Can Native religion be left to develop along its own lines? This would mean shutting down the Christian missions. Can Native science be left to develop along its own lines? This would mean encouraging the witch doctors. Can Native agriculture be left to develop along its own lines? This would mean the ruin of the Reserves and the subsequent ruin of a large part of the Union. The administrators and educators who shoulder responsibility in the Native areas are compelled by the facts to realize that there are limits to racial separateness; that the unity of mankind is an ultimate truth. Strictly speaking, neither Bantu nor European science is a reality; science is the reality. If sound agricultural practice is good for white men, it is also good for black men. Human intelligence is faced everywhere with similar practical problems and the same mysteries. Education is compelled everywhere to make similar demands on human reason and personality. It cannot, even if it would, postulate an absolute differentiation of principle and end in the education of white children and black children. It can, and it must, accept differentiation of means. A proper understanding of economic and cultural facts will facilitate a wise choice of means.¹

¹ See the Colonial Office statements on the principles and methods of African education (Cmd. 2374 of 1925 and Col. No. 103) and those of the Union's *Interdepartmental Committee on Native Education* (U.G. No. 28—1931).

On lines rather like these, men who value the liberality which was in liberalism can begin—and have begun¹—to rethink their philosophy and refashion their programme. They will be wiser than their nineteenth-century predecessors, for they will not brush aside the stubborn facts of racial and cultural difference. Perhaps they will be tougher than their predecessors, more cautious in formulating programmes, but more pertinacious in fighting for them. They will understand very well that their task of building a free society to include and reconcile many widely diverse races is one of the hardest tasks which human intelligence and goodwill have ever had to face. They will be patient. They will be deeply rooted in their own country, understanding the stubborn South African facts which determine the limitations and opportunities of their action. But they will understand that they are not alone. Their success or failure will depend in large measure on the issue of struggles which are taking place on a stage far larger than South Africa.

* * * *

This chapter was written in the summer of 1939, and was concluded just a few days before the struggles referred to in the last sentence became naked war. Now, when the second war winter is breaking, and the war is moving towards its second crisis, the writer is scrutinizing his book once more as it comes to him in proof. Is there anything which he should add? Some of his friends—and chief among them an Afrikaner—have told him that he ought to state his own conclusions more frankly and clearly. The writer does not think himself competent to propound a few simple solutions for the many complex problems of South African society; too many doctrinaires have meddled in this manner. Nevertheless, there are some conclusions which do seem to follow incontrovertibly from the economic evidence examined in this chapter. The careful reader has no doubt already grasped them, but it will do no harm to state them again.

The economic relationship between the different ethnic groups of South Africa is both competitive and co-operative. Public opinion in the white group is preoccupied with the competition; but it is the co-operation which is fundamental. Upon this co-operation rests the whole economic structure of South Africa. This economic structure is unified. It follows that the segregation policy can never achieve totalitarian fulfilment. There may be residential segregation, segregation of the land-owning groups along the line of colour, and segregation of voters along the same line; but 'economic segregation' is a

¹ Hoernlé, *op. cit. passim.*

dream which cannot be realized, for its realization would mean ruin to all the races of South Africa.

There is no doubt that all the peoples of South Africa would benefit if the ruling white people deliberately adjusted their policy in accordance with the basic fact of economic co-operation. This chapter has investigated with care—and, it is hoped, with sympathy—the efforts of the white South Africans to fight the menace of poverty within their own ethnic group. The evidence makes it clear that poverty, like epidemics, is no respecter of ethnic groups. The only effective way of combating poverty among the Europeans is to combat poverty among the Natives also. The incomes of individuals, races, and classes are paid out of national productivity. No section of the community can securely enjoy what it regards as its due if glaring inefficiencies of the productive organization are allowed to perpetuate themselves. Internal protectionism along racial lines gives short-term security to privileged sections of the white population, but it aggravates the insecurity of other sections. This does not mean that it can all of a sudden be scrapped. But it does mean that it can and should be corrected by policies which would endeavour to raise the level of the masses and thereby drain the morass which threatens to engulf the less efficient or less fortunate Europeans.

The dynamic of economic progress during the nineteenth century was supplied by markets. 'New countries' generally took it for granted that their markets were overseas. In recent years these markets have ceased to expand at their former rate of progress; some of them have sharply contracted. But South Africa has the economic good fortune to possess a great potential market within her own territory. South Africa's white people can undertake, if they choose, the profitable and inspiring enterprise of enlarging the consuming power of the South African Natives. Their true road to wealth, welfare, and security is a policy which will make the Natives participators in these blessings.

This argument leads to what the economists call 'wants'. The non-European peoples of South Africa are rapidly developing economic wants similar to those which the Europeans feel. By this road they are becoming participators in European civilization. It is a tendency which cannot be arrested. On the contrary, it ought to be fostered and guided, for it is the means by which European civilization—and the Europeans who are to-day responsible for maintaining the standards of that civilization—will root themselves still more deeply in South African soil.

An economic approach to the racial problems of South Africa

makes clear the relativity and incompleteness of slogans and programmes. The nineteenth-century programme of 'assimilation' and the twentieth-century programme of 'segregation' do not exhaust all the alternatives. Both these programmes reveal contrasted aspects of the sociological reality; each does less than justice to its opposite, and each needs to be corrected by its opposite. The one asserts 'the uniqueness of man' as a single species; the other asserts the individuality of distinct ethnic groups. The first affirmation originated in theological teaching, and to-day repeats itself in the calm classifications of biological science;¹ the second is founded on anthropology and history. Co-operation, recognized as a fact and pursued as a deliberate end, may transcend the conflict between these two extremes. Nothing can prevent the Natives of South Africa from participating increasingly in European civilization; but the Europeans of South Africa have the power to decide whether their participation will be that of a sullen and rebellious proletariat, or of a people learning to collaborate in freedom, friendliness, and hope.

¹ Julian Huxley, *The Uniqueness of Man* (London, 1941).

CHAPTER II

EVOLUTION OF THE TRADERS' FRONTIER: WEST AFRICA

I

'A JUST AND EQUITABLE TRAFFIC'

WHEN the British government yielded at last to the importunity of Wilberforce and his friends, it had to find an answer to the indignant merchants and shippers and plantation-owners who protested that abolition of the slave-trade would ruin British commerce and the British Empire. On the 16th May 1806 Grenville gave the government's answer: he invited his fellow-countrymen to compensate themselves for the loss of their piratical profits by opening up 'a just and equitable traffic' with Africa.¹ The idea was in many men's minds. The philanthropic founders of Sierra Leone had already affirmed it in the last decade of the eighteenth century, when they summoned 'honourable commerce' to aid them in their African mission of restitution and reparation.² Buxton reaffirmed it in 1839, when he demanded an inland expansion of 'legitimate trade' in order to cut the roots of the illegitimate slave-trade.³ Equitable traffic, honourable commerce, legitimate trade—the evangelical reformers kept harping on these phrases. But they were not faddists. Economic reasoning supported their preaching. Years before the abolitionist agitation reached its climax, Adam Smith had begun the commercial re-education of the British people. He taught them that nations do not in the long run grow rich by impoverishing their neighbours; he taught them to pursue wealth by the 'natural' way of a reciprocally advantageous traffic and exchange. What he called 'natural', Granville Sharpe called 'honourable': economists and evangelicals worked together for the same ends.⁴

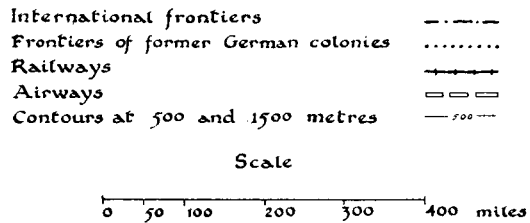
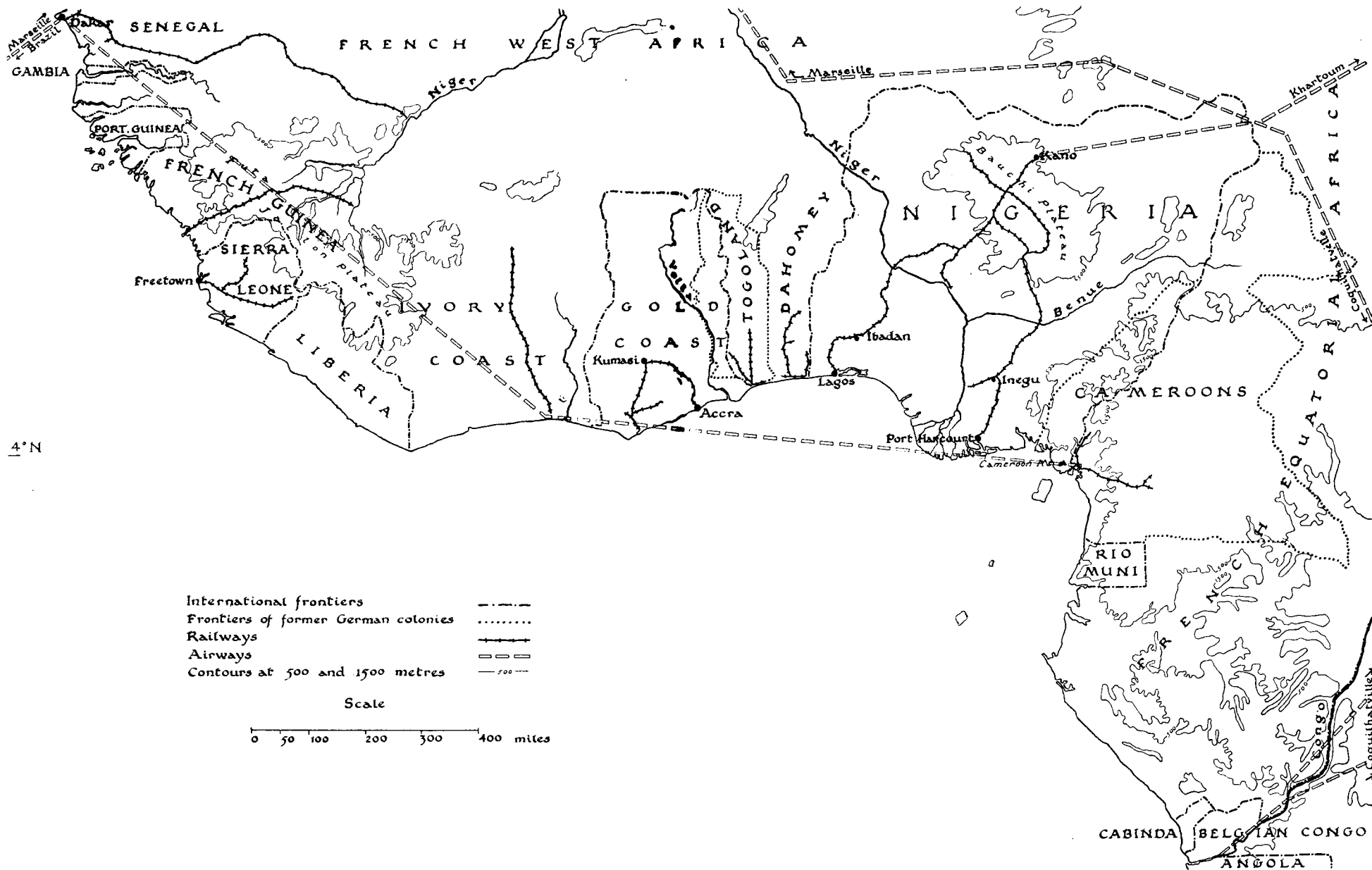
The times favoured them. Reason and goodwill cannot come into their own upon this earth until they command the technical instru-

¹ *Parl. Deb.*, 1st ser., vol. 7, col. 233. 'We might visit there in another shape, not as robbers and pirates, carrying off the helpless inhabitants. If they are so rude and savage as represented, let us rather endeavour to civilize them, and, by a just and equitable traffic form their minds to the pursuit of civilized life.'

² See Eveline C. Martin, *The British West African Settlements 1750-1820* (Longmans, 1927), chaps. viii and ix.

³ T. F. Buxton, *The African Slave Trade and its Remedy*, London, 1839.

⁴ The distinction between 'natural' and 'perverted' forms of economic activity has been carefully explained above, vol. ii, part i, pp. 20-1.



WEST AFRICA : MAIN COMMUNICATIONS

ments of effective action. Those forms of commercial activity which economic reason calls 'perverted' are frequently prior in history to the 'natural' forms. The Greeks, as Aristotle tells us, were pirates before they became honest traders: so, later, were the Northmen. Galley slaves remained a necessity for maritime transport until the inventiveness of medieval sailors and merchants gradually elaborated new instruments of navigation and a new type of ship. But during the past two centuries, scientific and mechanical inventions have been moving very quickly. Whereas in Roman and post-Roman Europe the slow progress of animal transport failed for centuries to provide an effective alternative to slave portage, in modern Africa the rapid advance of mechanical transport has within a few decades achieved this result. Wilberforce and his nineteenth-century followers were ahead of their times; but prophetically and effectively, not hopelessly, ahead of them. There was no easy 'withering away' of the slave-trade; the ethical and commercial reformers cut away its roots. They were able to do so because the economic and technical progress of their time placed effective cutting instruments in their hands.¹

Even so, the work was a far longer one than they anticipated. They believed that the export trade to America was the sole root of the evil—a misapprehension which has persisted among Englishmen, owing to their concern (to be sure, it does them credit) with the mote in their own eye. No doubt the evils of the slave-trade were enormously multiplied and exaggerated by the commercial demands of Europe, which in their scope and scale were quite unprecedented. But Africans were in the trade for profit long before European enterprise opened up for them the new overseas market, and Africans remained in the business for some generations after the British navy had closed this outlet. Sir George Goldie, who had an unrivalled knowledge of the Sudanese belt of Africa, believed that 'the number of slaves exported has probably been insignificant compared with the number dealt with in the internal traffic of Negroland'.² It is impossible to test this judgement. But it is certainly true—and reformers like Buxton

¹ For some important research which throws light on the connexion between the technical side of land and sea transport and slavery, see Lefèvre des Noettes, *L'Attelage à travers les âges* (Picard, 1931) and *De la Marine Antique à la Marine Moderne* (Masson, 1935).

² See Sir George Goldie's introduction to Lieut. Seymour Vandaleur's book, *Campaigning on the Upper Nile and Niger* (Methuen, 1908). It is a short but pregnant introduction, focusing attention on most important aspects of the slave-trade which historians have too much neglected. As for the opposition of African coastal traders to abolition, this becomes obvious even from the most cursory reading of nineteenth-century west coast history.

knew it even a century ago—that the tap-root of slave-raiding and slave-trading could not be cut except by the inland penetration of Africa and the establishment of a new political and economic order in the interior. That task was not achieved until the end of the nineteenth century.

The immediate task which confronted eighteenth-century reformers was formidable enough. It might well have seemed hopeless. The Treaty of Utrecht had established Great Britain as the chief profit-taker in the African-American slave trade. It was generally believed that the plantation colonies were the pillar of Great Britain's commercial and imperial greatness, and that the African trade was 'the Great Pillar and Support' of the plantation colonies. In the simple words of an Act of Parliament, the African trade was 'very advantageous to Great Britain and necessary to the Plantations'. The unctuous economist Joshua Gee counted British blessings and proved that the trade was 'very profitable to the nation in general'.¹ What chances had reforming zeal against interests and opinions so deeply rooted? What were the prospects of abolitionist exhortation in Liverpool? As early as 1710, when Liverpool was still a newcomer to the slave-trade, a chapel preacher named Christopher Bassnett appealed to mariners to abjure its wickedness; but by the end of the century Liverpool's enterprising merchants had captured by far the greater part of its profits. There was protest enough. John Wesley visited Liverpool when the trade was interrupted by the American War, and rejoiced to find 'the mean butchers', the traders in 'human cattle', with nothing to do.² A comedian who muffed his part on the boards of the Theatre Royal and was hissed by the audience shouted back that he didn't intend to be insulted by a set of wretches in a dirty town where every brick was cemented by the blood of slaves. Even within Liverpool itself there were independent people like the Roscoes and the Rathbones who fought against the dominant interests and prejudices of their fellow-townsmen. But how easy it was for their enemies to pillory them as faddists and Jacobins who wanted to destroy England's glory and the livelihood of honest men. In 1790 a piece of electioneering doggerel put the issue thus:

If the slave trade had gone, there's an end to our lives,
Beggars all must we be, our children and wives,
No ships from our ports their proud sails would e'er spread
And our streets grow with grass where the cows might be fed.³

¹ Joshua Gee, *Trade Between England and Africa*, 1729, p. 25.

² John Wesley's *Journal*, 14th April 1774.

³ I wish here to acknowledge my debt to the investigations of two graduate

Nevertheless, this vulgar propaganda was by the end of the eighteenth century losing much of its power to intimidate. All Liverpool men wanted to make a living and some of them were chasing fortunes, but the majority of them had no deep love for the slave-trade. The hack pamphleteers might strike a breezy patriotic note and glorify the trade as a nursery of British seamen, but it was a nursery in which vast numbers of British seamen died and where the survivors endured brutalities almost comparable with those which they inflicted on the slaves. The sailors loathed the trade. The merchants were wont to call it 'Liverpool's lottery'; it offered 'a few great and tempting prizes but many blanks'. A study of Liverpool's commercial records would certainly reveal an abnormal and alarming proportion of failures and bankruptcies. There were reasons of interest, no less than reasons of conscience, why Liverpool business men should prefer to put their money into new trades so soon as opportunity offered. At the end of the eighteenth century a superb opportunity offered. It was cotton. Even while the East India Company was still flourishing on the import of Indian textiles, eighteenth-century Lancashire was preparing to challenge this London interest.¹ Mechanical weaving advanced first, but hand-spinning prepared the aptitudes of Lancashire workers, until in the last quarter of the eighteenth century a series of brilliant inventions established Lancashire's primacy in all branches of the cotton industry.² Within a few decades the demand for raw cotton became insatiable. When the Levant and India failed to satisfy the demand, Lancashire turned west to America—first to the West Indies, then to the mainland. Here was a new employment for Liverpool's merchants and sailors. In 1770 the imports of raw cotton into Liverpool were 6,043 bags; in 1800 they were 87,555 bags; in 1806—the year before parliament abolished Great Britain's slave-trade—they were 172,638 bags. There were die-hards who still argued that 'the traffic in negroes is permitted by that Providence that rules over us all . . . and that it ought not to have been done students of the University of Birmingham, Mr. H. Turner and Mr. N. Stilliard. The former has studied various aspects of Liverpool's growth in this period, the latter has studied the palm-oil trade with West Africa in the first half of the nineteenth century.

¹ The rivalry of London and Lancashire is mentioned here because it is one of the persistent and interesting themes of the West African trade, e.g. in the time of the Niger Company and later, when a highly individualist Liverpool resisted London's amalgamators.

² The rise of Liverpool from its position early in the eighteenth century, when it was a small port chiefly interested in the Irish trade, is brilliantly surveyed by Mantoux, who shows how a commercial greatness built on the slave-trade prepared in the hinterland the industrial transformation which made the slave-trade obsolete.

away with to humour the folly and fancy of people who knew little or nothing about the subject'.¹ But Liverpool's business men flourished, and enjoyed their approving consciences, and rebuked the sin of slave-trading foreigners; though to be sure the cotton which they imported from America was still slave-grown.

It was the rapid growth of British industry which reduced the once formidable slave interest to manageable proportions and enabled the abolitionists to attack it successfully. Their success in turn hastened change in the trade-routes of the Empire. The industrialization of Great Britain stimulated agricultural inventiveness in the New World, and a direct two-way commerce across the Atlantic joined Lancashire to the southern states of the North American mainland.² After 1807 the Atlantic triangle between Great Britain, West Africa, and the West Indies collapsed. Must the whole West African trade collapse? If it were to continue it would have to become, like the transatlantic trade, direct. West Africa had no future as an appendage of the West Indies; it must either enter the society of trading peoples in its own right or make the best and suffer the worst of its own isolation and savagery.

Neither the humanitarians nor the business men wanted to leave West Africa alone. The humanitarians gave a positive meaning to their word 'emancipation'; they thought that the European nations, after assisting for three centuries in the business of African misery, ought now to do something for African happiness. They wanted to make reparation by bringing 'civilization' to Africa. The business men wanted to get some return on the capital they had sunk in the African trade and the experience they had gained there. Humanitarians and business men together studied the prospects of a new 'legitimate' trade.

The African market was by comparison with others a trifling one. Nevertheless, a variety of industries had some interest in it. The slave ships used to leave Liverpool well stocked with Sheffield hatchets, Birmingham muskets, Liverpool pottery, Cheshire salt, and East Indian cottons. Lancashire's factories conquered the cotton trade. But how were West African customers to gain the means of payment, now that British merchants were forbidden to accept slaves? 'Elephant's teeth', gold dust, furniture woods, and gum copal had always been minor articles of trade; but in the early nineteenth

¹ This was the opinion of Captain Hugh Crow, an outstandingly humane slave-captain. See his *Memoirs*, p. 157.

² Whitney invented his cotton gin in 1793. The fluctuations and temporary setbacks which in the following decades marked the rise of the southern mainland States to primacy as suppliers of raw cotton cannot be described here.

century there was small hope of expanding any of these lines.¹ There was, however, another West African commodity, hitherto of negligible importance, which soon found a growing market in Great Britain. That commodity was palm-oil.²

The rapidly multiplying populations of Britain's new industrial cities needed light and needed soap; the new machines needed lubricants. When the supply of animal and fish oils and fats became unequal to the growing demand, the researches of Leblanc and Chevreul showed how vegetable oils might make good the deficiency. Throughout the nineteenth century Europe's demand upon West Africa's palm forests steadily increased. There were of course fluctuations and temporary price depressions; in the eighteen-forties the Australians hammered the market for oils and fats by their abnormal exports of tallow, and in the eighteen-sixties American kerosene began to encroach seriously upon the candle trade. Moreover, vegetable oil produced in other countries from other nuts and seeds began to compete with West African palm-oil. The market for oils and fats nevertheless remained a hungry one. Not only were they increasingly in demand for many of the old industries; new industries began to demand them. In the eighteen-seventies the margarine industry began to be important, and it was soon discovered that the oil extracted by crushing the kernel of the West African palm fruit had keeping qualities which admirably fitted it for margarine. The expansion of the tin-plate industry in the eighteen-nineties created a new demand for the harder variety of palm-oil, which was used to coat the iron before the covering was laid on, thereby preventing oxidization. There is no need to enumerate further the uses which urbanized and industrialized Europe discovered for the fruit of West Africa's palm forests. It is already clear that the tide of economic circumstance which at the end of the eighteenth century favoured Wilberforce and his friends continued throughout the nineteenth century to flow steadily in favour of their successors. They had strong moral reasons for encouraging 'legitimate

¹ The supply of ivory was already falling, the price of woods was depressed, the gold supply was not to be increased until the improvements in technique, transport, and medicine at the end of the nineteenth century.

² In 1799 the import of palm-oil into Liverpool was only 2,599 cwt. For the early history of the palm-oil trade see evidence of MacGregor Laird to the *Select Committee on West Africa*, P.P. 1841, xi, p. 575. On the industrial uses of palm-oil see W. L. Carpenter, *Manufacture of Soap and Candles* (London, 1885) and H. C. Bellows and H. Beckworth, *Palm Oil and Kernels, An Exposition of the Palm Oil Industry, its romantic development and commercial possibilities* (Liverpool, 1913). The general growth of the trade is well sketched in Allan McPhee, *The Economic Revolution in British West Africa* (London, 1926), ch. 2.

trade' with West Africa; the world of business had strong economic reasons.¹

To what extent were the people of West Africa able to meet the new demands, economic and non-economic, which restless and innovating Europe made upon them? This is the central question: it will be prominent in every section of this chapter. The figures of palm-oil exports give a rough external indication of the extent of African response in the nineteenth century. During the early decades of the century the exports grew very slowly: at the end of the eighteen-twenties they amounted to less than £150,000 in average annual value. During the eighteen-thirties their value grew rapidly until it reached nearly £500,000. But the eighteen-forties were a time of stagnation and disappointment. A marked improvement occurred in the middle of the next decade. From then until the end of the century the annual value of the trade never fell beneath £1,000,000 and frequently was nearer £2,000,000. In 1856 the quantity of palm-oil exported exceeded 40,000 tons. Thereafter its growth was for a long time gradual; only towards the end of the century did it pass the 50,000 mark. Then its advance again became rapid.

The disappointments of the first half of the century were due in part to the hesitations and inconsistencies of British policy. The same incoherent idealism which muddled the work of slave emancipation in the West Indies hindered the effort to put down the West African slave-trade. In 1833 the British parliament abolished slavery throughout the Empire and paid the West Indian planters £20,000,000 compensation. Nobody will deny that the British people thereby proved its readiness to make sacrifices for the triumph of right. And nobody who is not a blind partisan will deny that a great deal of generous idealism supported the interests which in the following decade swept away the traditional protectionist system of Great Britain and the British Empire. But the left hand of British idealism was too little aware of what its right hand was doing. The removal of the sugar duties, following on the abolition of slavery, had the effect of exposing West Indian sugar to a shattering assault by the slave-grown sugar of Cuba. The Cuban demand for African labour pushed up the profits of the illicit slave-trade, and thereby caused a new high-level export from West Africa.² It is not surprising that the 'legitimate trade' languished.

¹ It is true that the market price for palm-oil was falling (see quinquennial average prices in McPhee, *op. cit.*, p. 33) in the period 1856-90; but the fall was offset by cheaper transport, and in addition the market for kernels was opened.

² P.P. 1850, liii, Q. 3850. It was estimated that 84,536 slaves were exported in 1846.

British merchants had realized from the beginning that a just and equitable trade in palm-oil was not capable of ousting the slave-trade simply by the automatic effect of its own moral and economic virtues. 'British trade', they declared in 1812, 'cannot exist where the slave trade exists. Those in the latter will monopolize the former.' In 1817 they protested that the slave-trade was 'incompatible with, and destructive of, the legitimate trade of Africa'.¹ Thirty years later a select committee of the House of Commons examined a mass of evidence which proved that the slave-traders of other nations were still thriving, and that the coastal tribes of West Africa were their allies in the fight against legitimate commerce. British action against European slavers, so long as it contented itself with half measures, actually increased the profits of the African slave dealers. A few captures at sea raised the price of later consignments. Why should Africans bother about palm-oil when the traffic in slaves gave them better terms of trade? Besides, they enjoyed the excitement of the slave-trade; whereas the palm-oil trade imposed upon African males the dull and laborious necessity of climbing very many very tall trees.²

It was not enough for Great Britain to abolish her own slave trade by act of parliament. It was not enough for Castlereagh to bring back from the Congress of Vienna a declaration in which the whole society of European nations expressed disapproval of the trade. The British navy had to take violent action to stamp the trade out. But, in the first half of the nineteenth century, the West African squadron had to do the best it could with inadequate political support. Great Britain's treaty engagements with foreign nations compelled her naval officers for more than twenty years to release every slaver which did not actually have slaves on board; the ship might be equipped with all the apparatus of the trade, but so long as the captain could dump his cargo on shore he was safe from capture. A treaty with Spain in 1837 ended this absurd state of affairs: when Portugal refused to sign a similar treaty, the British parliament in 1839 by its own unilateral action empowered Her Majesty's ships to take the necessary action against Portuguese slavers. But it was not enough to give the West African squadron increased legal powers. What the squadron needed was a firm base. The intermittent action of naval power based precariously on Fernando Po was insufficient for the task entrusted to it: nothing short of establishing effective

¹ P.P. 1816, vii. 506 (Letter from Company of African Merchants to Lords of the Treasury) and P.P. 1817, vi. 6.

² *Select Committee on the Slave Trade*, First Report, P.P. 1847-8, xxii, Q. 2537, 2707. Second Report, Q. 3794, 4999-5027.

political authority on the disorderly coast would break the slave-trade and give honest merchants a fair chance to expand their business.

At this point it will be helpful to survey rapidly the methods and stages of Great Britain's political intervention in West Africa. Its reluctant, slow, but inevitable growth through three centuries throws a good deal of light on the relationship between 'economic frontiers' and 'political frontiers', between commerce and government.¹ Economic and political activities are up to a certain point distinct and autonomous; it is not the command of a government, but the 'natural propensity of mankind', which moves ordinary men to seek their livelihood by traffic and exchange. Yet the separate political and economic activities of human society become inextricably involved with each other. A state cannot stand unless it is supported by the economic vitality of its subjects; commerce cannot flourish unless it is given the shelter of a *pax*. What form that *pax* will take, what kind and degree of shelter it will give—these things vary according to historical circumstances. The *pax* of a national state, so far as it reaches, gives the most complete shelter; but it does not reach so far as the commercial enterprise of its subjects. The separate nations of Europe, in their commercial dealings with each other, have had to content themselves with a *pax* resting on 'the law of nations', which in turn has rested upon the common values, spiritual and material, of European civilization. It has not rested upon political unity, with the result that its shelter, which seems so ample in time of peace, is destroyed whenever the European states exercise their sovereign liberty of making war. In the dealings between European nations and more primitive peoples even this brittle *pax* has been lacking. Our laws are not their laws, their way of life is not ours. It is true that they share with us the propensity to commerce which is common to all mankind; but their standards of value, their technique, the religious and social framework in which their economic activity is set, all are different from ours.

From this discrepancy two problems arise, the one economic, the other political. We summon the Native inhabitants to join an economic partnership for which their primitive productive system has not as yet fitted them. If they are given sufficient time they may, by acquiring new wants and new habits of labour, willingly and freely re-shape the pattern of their lives so that it fits into the larger commercial pattern which we have fashioned. But the impatient European nations have usually denied them time. Sometimes they

¹ See this *Survey*, vol. ii, part i, chap. i, sec. i.

have compelled the native inhabitants to labour on their own land under European orders; at other times they have dispossessed them of their land so that European enterprise may itself produce, with servile or semi-servile labour, the commodities which Europe's markets have demanded. British policy in West Africa has in recent times deliberately rejected both these methods. It has trusted instead to the stimulus of price and the African's growing economic 'wants'.

But the political problem has proved itself a stubborn one. European traders in West Africa discovered very early that their business—even though Africans participated eagerly in it—demanded the shelter of a *pax*, which African society was too weak to build. The disorderly fragmentation of African authority impeded the flow of all commerce except the commerce in slaves. Its tribal dissensions aggravated the evil of Europe's national dissensions. The separate national groups which represented Europe's economic expansion, finding no native polity strong enough to control them, collided with each other in constant war. The highest degree of stability for which Africa could hope was a *pax* imposed in sections by the separate national sections of dynamic but divided Europe. In the eighteenth century the partition of Africa was symbolically and prophetically expressed in the castles which the rival European nations held along the Gold Coast: at the end of the nineteenth century it was expressed in boundary lines covering almost the whole map of Africa.

The European governments did not originally plan and desire this political result. The British government, in particular, was reluctant to assume direct commitments, and attempted to put upon the traders the burden of maintaining the *pax* which trade demanded. In the sixteenth and seventeenth centuries the arm of British administration was too short, and its purse too shallow, to support the burden of order on the West African coast.

The government therefore delegated political power to chartered companies. With the delegation of political power went a grant of commercial monopoly. This was inevitable. The task of defending and administering the trading outposts imposed on the companies heavy overhead charges. Free traders or 'interlopers' who did not have to bear these charges had a strong competitive advantage. Unless they were restrained, they would break the companies by underselling them. But in breaking the companies they would break the administration of the *pax* on which the whole trade, including their own usurped share of it, depended.

Towards the end of the seventeenth century the individualistic

attack upon monopolies began to gain the upper hand. Its growing success compelled the British State to take increasing financial responsibility for the tasks of colonial administration and defence which companies had hitherto been able to finance from their monopoly profits. But the State still remained unwilling to take direct administrative responsibility. For more than a century it kept the companies alive by subsidy—first the Royal Africa Company, and thereafter (1750–1821) the Company of African Merchants. This was a wretched makeshift, which at last broke down in the disorders let loose by the Ashanti wars. There had already been experiments in direct Crown Colony government—a short experiment in Senegambia, a more determined one in Sierra Leone. There the new expansionist influence of evangelical ardour had made a beginning; it quickly took the traditional form of chartered company rule, but was denied the support of commercial monopoly and on the 1st January 1808 was superseded by direct Crown Colony rule. In 1821 the Gold Coast forts were attached as an appendage to the government of Sierra Leone. It seemed now that the traders' *pax* would everywhere give place to the official *pax Britannica*.¹

Meanwhile the most enterprising traders had been pushing further east. It was in the Bights of Benin and Biafra and the steaming outlets of the River Niger that slavers and palm-oil traders were trying to expand their business. Along these unhealthy coasts there were no settlements or forts; the trade was a 'floating' one, which only gradually achieved the relative fixity given by hulks moored in the river mouths. About the middle of the nineteenth century the British government at last began to realize that it would have to shoulder direct political responsibility on this coast also, if the slave-trade were to be expelled from it and the palm-oil trade given a chance to grow. In 1849 it established a consul for the Bights; in 1851 it intervened forcibly in Lagos and established a second consul there; in 1861 it made Lagos a Crown Colony. There followed a period of wild disorder in the immediate hinterland, where the political fragments of Yoruba society fought with each other for the command of the trade-routes to the coast, and more distant tribes precipitated themselves into the mêlée. Short-sighted individualist traders complained that government intervention had only made matters worse, and parliament in 1867 approved the recommendation of a select committee that Great Britain should take the earliest opportunity of withdrawing from every position on the West African coast except Sierra Leone. But scientific and commercial develop-

¹ This rapid sketch excludes the early history of the Gambia.

ment, the intelligent use of quinine and steam navigation on the rivers¹ had already prepared the inevitable day of inland penetration.

Great Britain, however, seemed quite likely to stand aside, leaving the achievement entirely to France. Even in this late chapter of West African history the Imperial government was dragged inland by a chartered company. It was the advent of Sir George Goldie in 1870 which decided the future of British West Africa. He came at a time when the evangelicals seemed to have forgotten their dreams of a great expansion inland,² and the traders seemed to have lost heart.

His energy transformed the situation. He tackled the economic-political problem as a single piece. His imagination and his experience both enabled him to approach the West African problem from the north. He fixed his attention upon that 'lost thirtieth of the human race' which, isolated from the external world by the northern deserts and the southern forests, extended across the Sudanese belt of Africa from the Senegal to the Nile. Here was a great potential market, if British traders were really seeking a market. But if they left the whole of it to the French, they would in the end find themselves crowded out even from the coastal market which they had fairly earned by generations of persistent if unco-ordinated endeavour. This surely would be a fiasco which neither the traders nor the humanitarians could endure. Had not the British people expended a century of enthusiasm and millions of money in the fight against slavery? The Sudanese belt was the home of slavery, and of something far worse than either slavery or slave-trading. 'The radical vice of the Sudan,' Sir George Goldie believed, 'the disease which, until cured, must arrest all intellectual and material progress, is the general, constant, and intense prevalence of *slave-raiding*.'³ What then was the cure? The people of the north must be given the economic leadership which would enable them to re-shape their way of life. Mechanical transport must take the place of slave portage. Sound money and credit must drive out of circulation 'the millions of pieces of human currency' which passed from one Sudanese state to another. Commercial intercourse with the modern world must

¹ Both are marked by the year 1853, when McGregor Laird's ship, the *Pleid*, essayed the river voyage and returned with a healthy crew. As a sequel, Dr. Baikie established himself at Lokoja and was given official status as the officer in charge of the Niger expedition; but this post was closed down in 1869.

² T. F. Buxton, *The African Slave Trade and its Remedy* (London, 1839). In order to extirpate the roots of the West African slave-trade, Buxton demanded a threefold policy—the occupation of strong positions on the coast, the establishment of key positions up-river, and a programme of agricultural development which would create a trade in 'the productive labour of the people instead of the people themselves'.

³ See the brilliant introduction to Vandeleur, *op. cit.*

stimulate the production of economic crops. But none of these things could happen until a *pax* was established. Europeans must employ against the slave-raiders the same vigorous means which they employed at home for the prevention of crime and violence. Diplomacy, backed by resolute force, would achieve a great deal. But when diplomacy failed, force must be directly used, and it must be 'thorough and rapid'. To extirpate a pest so evil and so ruinous as slave-raiding the British must be ready to use their maxim guns.

Since the government was unwilling to act, Sir George Goldie acted. Since the government refused to establish the *Pax Britannica*, he established a provisional traders' *pax*. His commercial realism was as clear and sharp as his political realism. For reasons which will be explained later on,¹ the West African trade, from the later slaving days up to the present time, has oscillated between wild competition and ambitious combination. The progress of steam navigation in the eighteen-fifties and -sixties had made competition more intense by bringing into the trade a large number of small men who for the first time found themselves able, with the aid of the carrying companies, to compete effectively against the merchant shippers. The commercial casualties and losses which thereupon ensued persuaded some of the established firms that it would be wise to defend themselves by amalgamating their interests. There were two important amalgamations during the eighteen-sixties, and the tendency to amalgamation was still strong when Goldie came to the West Coast towards the end of the following decade. He shaped that tendency to his own larger purposes. He built up a commercial combination which, though not complete, was imposing: in 1884 it absorbed the two rival French companies. When in 1885 the European nations undertook at the Berlin Conference the first general regulation of African affairs, the British flag was unchallenged on the Niger, and the 'Niger districts' were recognized as a British sphere. Thereafter Goldie's new instrument, now called the Royal Niger Company, could go ahead with its task of opening the inland trade and establishing the inland *pax*.

The Royal Niger Company was granted its charter in 1885 and lost it in 1899. It lost it because of its very success in creating a British province which, with its defence problems and frontier disputes, had of necessity to become a direct imperial responsibility. It lost it also because of the old and inescapable opposition between government by a trading company and free trade. The Berlin Conference had stipulated a free and equal commerce in the Niger district for the traders of all nations, and the charter of the Royal Niger Company

¹ See below, Sect. iii.

specifically excluded commercial monopoly. But the Royal Niger Company had to meet the military and administrative cost of the new province which it was creating, and was no more able than its predecessors had been to let its trade be chipped away by rivals who did not have to carry these heavy overhead charges. Charter or no charter, it was determined, as Mary Kingsley put it, 'to keep its ain guts for its ain sea mews'. Mary Kingsley did not blame the Company overmuch, for she admired Goldie and appreciated the crucial importance of the task which he had set himself; but at the same time she was the loyal friend and champion of the Liverpool merchants. Her attempts to patch up a temporary armistice between these rugged individualists and the Company can best be told in her own inimitable words:

'Liverpool, as I dare say you know, hates the Royal Niger Company like the devil. The R.N.C. has got its back against a door, fighting France. I, from my statements on this liquor traffic, Liverpool's backbone, have a certain influence with L., and that influence I threw into getting the Liverpool merchants not to harry the Company while it was engaged in this trade row. I had succeeded beautifully, Liverpool was behaving like ten saints rolled into one, when down in the middle of it came Major Lugard's article, praising the Company up to the skies for its anti-liquor policy. . . . My flock broke away from me at this, and I have had a pretty scratching time of it getting them into the field again, and have only done it by saying I will answer Lugard. . . . It is fire and brimstone for me when it comes out, and all Liverpool can do is to put up a memorial window for me. It would be a friendly act to think out a suitable design. I fear Liverpool in its devotion to me might select a West African ju-ju hung around with square-faced bottles.'¹

The armistice did not last long. Some of the Liverpool firms harried the Company by intriguing with the middleman-tribes and enticing the trade down branches of the Niger which the Company did

¹ Letter of Mary Kingsley to Edward Clodd, quoted in Dorothy Wellesley and Stephen Gwynn, *Sir George Goldie* (London, 1936), p. 38. In her own books Mary Kingsley repeatedly makes clear her attitude to the liquor trade: she believed that Africans were far more sober than Englishmen and that good gin (she had samples of the trade article analysed) was better for them than palm wine: it was used chiefly on ritual occasions and she believed that the question of excess seldom arose. It is a pity there is not time to go further into this debatable question and into the whole fascinating story of West African trade in this period. A great deal of the material has been lost, including the papers which Sir George Goldie destroyed; material which still survives in the records of trading houses is certain to be diminished as the years go by. The same is even more true of oral tradition. It is said on the Coast to-day that the Royal Niger Company planted a brace of cannon on the Niger at Kreigani to prevent trade going down stream to the firms at Abonema. There are still one or two persons living who might be able to support or refute this tradition from personal knowledge.

not control. The Native traders of Brass took direct action; they equipped an expedition which sacked the Company's factory at Acassa. This sensational reprisal was investigated by a commission of inquiry and played some part in convincing the Imperial authority that Chartered Company government could no longer be tolerated.

So the British government made up its mind at last: Major Lugard became its representative in Northern Nigeria and a new epoch in West Africa began—an epoch which we may still call contemporary. The question no longer was: 'Will there be a *Pax Britannica*?' but rather: 'What form will the *Pax Britannica* take?' So far as the administration of law and justice was concerned, the answer was given in the *Instructions* and *Political Memoranda* in which Sir Frederick Lugard recorded his experience and purpose during the early formative years of the twentieth century.¹ These documents reveal the origins and principles of the system of government known as 'indirect rule'. Other writers have expounded this system.² It is the economic system and the economic policy of the administrations with which this chapter is chiefly concerned.

Until very recent times economic policy in Great Britain's African dependencies did not go beyond the lines laid down by Joseph Chamberlain. He was the first statesman to realize that the task of developing the economic possibilities of Africa was so vast that it could no longer be left in its entirety to private enterprise and the spontaneous advance of the traders' frontier. He impressed upon his fellow countrymen the magnitude of their responsibility and opportunity in Great Britain's vast imperial 'estate'. Chamberlain's phraseology, as we have seen in an earlier chapter, could easily give a sinister twist to the mental and emotional habits which guide economic forces into their channels of operation and by so doing determine policy. Is not an 'estate' a property? And are not properties developed for the advantage of their owners? Towards the end of the Great War a committee of eminent persons propounded a grandiose and greedy scheme for developing Great Britain's 'Imperial Estate' (and especially her West African possessions) in a way which would confer untold material profit on the ruling British nation.³ It would, how-

¹ The *Political Memoranda* (1918) are a revised edition of the *Instructions to Political and other Officers on Subjects chiefly Political and Administrative*: they were written for the guidance of officers in the Colonial Service and are marked 'Confidential'.

² See especially Margery Perham, *Native Administration in Africa* (O.U.P., 1937), and W. R. Crocker, *Nigeria, A Critique of British Colonial Administration* (Allen and Unwin, 1936).

³ On the origin and collapse of the Empire Resources Development Committee see this *Survey*, vol. ii, part i, chap. i. sec. v, and chap. ii, sec. I.

ever, be unfair to blame Joseph Chamberlain for this perversion of his intention. The men who after his death tried to turn his development policy into an exploitation policy could quote his metaphors, but they gave a one-sided twist to his thought. The chief fault of his thought was the ambiguity of its ultimate direction: it was this which made the distortion possible.¹ Its chief merit was the clarity and energy with which it took hold of the immediate need and opportunity. In his speech on the Colonial Office estimates of 1895 Chamberlain initiated a drive for railway and public works construction under the management and ownership of the colonial governments and with the financial backing of the Imperial authority.² At the same time he foreshadowed the extensive application of scientific research to the problems of health and agricultural production. Government enterprise along these lines gave in the decisive years the decisive help which enabled private enterprise (whose freedom and judgement in its traditional sphere were not yet seriously challenged) to gather an impressive harvest from the laborious sowing and cultivating of the past century. These were the years in which the discoveries of Sir Ronald Ross, supported by the research and teaching of the new institutes of tropical medicine and by the increased vigour of colonial medical services, began to destroy West Africa's evil reputation as the white man's grave.³ They were the years in which a favourable

¹ In 1895 Chamberlain propounded development of the dependencies 'for the benefit of their own population and for the development of the greater population which is outside': some of his successors placed almost all the emphasis on the latter aim—while arguing in a perfunctory manner that the colonial population would at the same time benefit.

² Chamberlain advanced money from British sources at 2½ per cent. Later on (and particularly during the ten years after 1918) British dependencies were compelled to pay burdensome rates of interest on their new borrowings. See S. H. Frankel, *Capital Investment in Africa* (O.U.P., 1939), chap. v, sec. i. Professor Frankel demonstrates the extreme weight of the burden, particularly in time of depression, which results from a combination of extensive public borrowing and high rates of interest. Some overseas territories (e.g. rubber- and tin-producing British Malaya and those parts of Africa where mineral production is a main source of wealth) are fortunate in having secured the bulk of their capital through the issue of 'equity shares', whose yield to the investor rises or declines according to the trend of prices which determine economic conditions in the territory concerned. But in British West Africa public listed capital accounts for 43·5 per cent. of the total investment: in British East and Central Africa the figure is no less than 71·7 per cent. The investor in these securities receives a fixed rate of interest, no matter how colonial economic conditions may have deteriorated. And the average rate of interest rose steadily after 1918. 'Before the War, all of Nigeria's debt had been raised at or below 3½ per cent., but . . . by 1935 the average rate of interest on its debt was 4·83 per cent.' (p. 178). An official government calculation in 1939 gave 4·69 per cent. as the average rate, and calculated at the same time that the total overseas interest bill of Nigeria absorbed one quarter of the total revenue.

³ On the revolution in medical services and health, see McPhee, *op. cit.*, chap. 8.

trend of world prices, supported by the revolution in land transport, enabled the producers of West Africa to lift their standards of economic consumption by expanding their production of old crops, such as ground-nuts, and new crops, of which cocoa was the chief. The market for palm-oil and palm-kernels still continued to expand, but Great Britain's 'legitimate trade' in West Africa began to lose some of its over-specialized character. In 1911 the values of the seven chief exports from the four West African dependencies were in round figures as follows:

	<i>Nigeria</i>	<i>Gold Coast</i>	<i>Sierra Leone</i>	<i>Gambia</i>
	£	£	£	£
Palm-kernels	2,574,000	90,000	657,000	..
Palm-oil	1,697,000	129,000	70,000	..
Ground-nuts	10,000	..	..	437,000
Cocoa	165,000	1,613,000	..	..
Cotton lint	103,000	..	..	..
Tin ore	182,000	..	..	..
Gold . . . . .	..	1,058,000	..	..

Figures like these were encouraging; but they were no adequate measure of the hopes, or even the certainties, of 1911. The previous decade had witnessed a hectic investment in gold-mining and tin-mining; a great increase of production would soon follow. In 1911 the railway was nearing Kano; it would soon enable Northern Nigeria to outstrip the Gambia as a producer of ground-nuts. In 1911 the Gold Coast had just got into its stride as a producer of cocoa: a great expansion, in which south-western Nigeria was due to share, would before long give to British West Africa more than half the world's export trade in cocoa. The history of British West Africa, as a participator in the world's business, ran parallel with that of the Canadian prairies;¹ the vigorous upward movement which began in the eighteenth century persisted through the set-backs of the War and the sharp depression which followed the War, and reached its climax in 1929. The table opposite therefore gives a truer picture of achievement.² Some of the items included in this table point forward to a still later period: iron ore, for example, has been included as a reminder of the part played by mining in steadying the economic position of the West African territories when the money value of their agricultural exports fell heavily during the nineteen-thirties. Had the table been extended to 1939 the figures for gold and diamonds and manganese ore (but

¹ See this *Survey*, vol. ii, part i, pp. 160-5.

² This table has been compiled from figures set out in three separate publications of the Empire Marketing Board.

The Chief British West African Exports.

		Nigeria		Gold Coast		Sierra Leone		Gambia	
		1911	1929	1911	1929	1911	1929	1911	1929
		(In thousands)		(In thousands)		(In thousands)		(In thousands)	
Palm-kernels . .	Tons	176	251	13	7	43	60	..	..
	£	2,574	4,265	90	96	657	876	..	..
Palm-oil . . .	Tons	79	132	(Not available in tons)		..	..	..	..
	£	1,697	3,767	129	17	70	8	..	..
Ground-nuts . .	Tons	1	147	..	..	..	..	48	56
	£	10	2,466	..	..	..	..	437	766
Cocoa	Cwt.	88	1,105	795	4,761	..	..	..	..
	£	165	2,306	1,613	9,704	..	..	..	..
Hides and skins . .	£	28	889	..	..	..	..	..	..
Cotton lint . . .	Cwt.	45	117	..	..	..	..	..	..
	£	103	543	..	..	..	..	..	..
Timber	£	56	243	139	207	..	..	..	..
Tin ore	Cwt.	30	303	..	..	..	..	..	..
	£	182	2,299	..	..	..	..	..	..
Gold and gold dust .	Fine oz.	..	..	289	225	..	..	..	..
	£	..	..	1,058	870	..	..	..	..
Diamonds	Carats	..	..	..	661	..	..	..	..
	£	..	..	..	585	..	..	..	..
Manganese ore . .	Tons	..	..	7	408	..	..	..	..
	£	..	..	12	585	..	..	..	..
Iron ore . . . . .	..	..	..	..	..	(Becomes important after 1930)		..	..

Total Exports of domestic produce.	£	5,072	17,581	3,471	12,496	1,005	1,319	454	783

not those for tin) would have emphasized still further the importance of mineral production. But our present purpose is to look backwards from 1929. From this viewpoint we notice that within less than twenty years the value of the cocoa export has risen in the Gold Coast to nearly £10 millions, and in Nigeria to nearly £2½ millions; that Northern Nigeria has built up almost from nothing an export trade in ground-nuts worth £2½ millions; that there are impressive increases under the heads of hides and skins and tin; that the total value of Nigerian and Gold Coast exports has multiplied more than threefold. And if, looking backward still farther, we take the year 1929 as the culmination and climax of a century of 'legitimate trade', how great does the achievement appear! The perverted trade in human lives has long since been driven out of the coastal districts: it has more recently been expelled from the interior. The inhabitants of the country retain possession of their lands: no compulsion has been put upon them to labour under European command: sheltered by British law, they have of their own free will responded to the price inducements of a world-wide market. A 'just and equitable traffic' has drawn them from their isolation and made them sharers in the opportunities of the great society of peoples. Wilberforce and Adam Smith would have believed their work well done.

Nevertheless, a close examination of the situation in 1929 would reveal many causes for anxiety or doubt. That year marked for all producers of foodstuffs and raw materials the beginning of a calamitous new era which threatened with destruction the system of international specialization and the reciprocal blessings which it was supposed to confer. Moreover, the same year signalized a new stage in the movement towards combination which was re-fashioning the structure of West African commerce. For good or for ill, the old order was changing. It had for a considerable time been changing. These changes must be investigated in a later section. And there are other things which must be investigated. It is not enough to record that the producers of West Africa have responded to the stimulus of the world market: it is necessary to examine the manner of their response, and the effect which it has had upon the traditional way of life inside the West African village. And what part has the government played in this changing world? Has it understood the change and controlled it and where necessary promoted it? Or has its policy in economic matters been narrow and negative?

The following sections of this chapter will be concerned with all these questions. They were already the concern of a great Englishwoman who travelled in West Africa and studied its peoples and problems in the last decade of the twentieth century. Mary Kingsley's insight was extraordinary: her witness is so important that it will be used continually in this chapter as a standard of reference. Its quality and tendency are discussed in a separate note.¹ It will be sufficient to mention here her appreciation of the tension between tradition and change. She ardently desired the preservation of the 'guardian institutions' of West African life. With equal ardour she summoned British imagination and initiative to the task of building a bridge over which the peoples of West Africa might cross from their 'thirteenth-century world' into the material and intellectual opportunities of the modern world. She demanded from British administrators a deeper understanding both of the African society which they governed and the European society which they represented, an appreciation both of anthropology and economics. During the decade which followed her death, Lord Lugard's work in Nigeria signified that her first demand would be met.² But what of her second demand?

¹ See Appendix A.

² The significance of Lugard's work was appreciated as early as 1911 by E. D. Morel, a radical who had made it his mission in life to fight for justice in Africa. See his book, *Nigeria. Its People and Problems* (London, 1911), esp. p. 104: '... an achievement, not of conquest, but of constructive and sober guidance.'

II

THE ABORTIVE PLANTERS' FRONTIER

This section will trace—but not to its conclusion—the controversy between the champions of plantation production and the champions of peasant production. The conditions under which a reciprocal commercial relationship between a primitive and an advanced people gives place to a plantation economy instituted and controlled by the latter, have already been discussed.¹ One party to the commercial relationship makes economic demands which the productive organization of the other party is unable to meet. A new productive organization is therefore set up by the stronger party. It solves the problem of supply by taking direct control at the source of supply.

The economic motives which govern this transformation are quite simple. The demand for goods expresses itself in price; profitable prices inspire hope; hope attracts capital; the investment of capital establishes a new productive system. Sometimes this new system conforms to the plantation type, and sometimes not; for a general uniformity of economic motive has always been combined with great variety of local circumstance. The general sequence of market-demand, price-inducement, and investment has repeated itself in each one of the overseas territories moulded and modernized by the masterful economy of Europe: it has not mattered very much to the commercial and investing classes of Europe whether the territories which they were taking in hand were situated in America or Australasia or Africa: they have followed profit wherever it led or seemed to lead. Yet they have not, by their profit-and-loss calculations, determined the whole substance of the history of these overseas territories. The things which mattered to them were not the only important things. Geographical location was important: the facts of climate and population were important. In the temperate and 'empty' continents of North America and Australia, price-inducement and investment assisted the establishment of European communities who lived their new lives according to the old English idiom of speech and law and government. In the tropical and 'half-empty' countries of Malaya and Fiji the same economic impulses assisted the migration of Asiatic peoples. But there were other territories—Java, for example, or Nigeria—which were already inhabited by a relatively numerous indigenous population. In these territories the developmental plans which economic interest demanded became inextricably interwoven

¹ See above, p. 162.

with those governmental activities which are customarily described as 'Native policy'.

There has been a tendency during the past generation to conduct the discussion of Native policy as if it were a rather simple problem of applied ethics. This tendency has frequently expressed itself in dogmatic prejudgement on the plantation controversy. In Great Britain it has been widely assumed that the establishment of a plantation economy is necessarily incompatible with the moral obligation to weaker peoples on which Native policy is professedly based. But this assumption should be examined critically. Admittedly, the perversions to which a plantation system easily lends itself have occurred frequently enough to give some historical justification for the assumption; but it would be a mistake to accept the assumption as universally valid, thereby predetermining the results of each special investigation—in West Africa and everywhere else. The conditions in Malaya, where an uncrowded indigenous population has automatically achieved a vastly higher standard of wealth owing to the material transformation which European capital and Asiatic labour have wrought, are obviously different from the condition of the crowded Ibo population of south-eastern Nigeria. The economic environment and possibilities of a ground-nut-producing area are clearly different from those of a palm-oil-producing area.¹ We have to be on our guard against accepting as absolute truths the ethical-economic classifications which happen to be fashionable at the moment. Nobody could argue that Mary Kingsley cared less for the welfare of the West African peoples than we care to-day; yet Mary Kingsley believed that plantations should be encouraged. Very few people would maintain that British colonial policy has all-round moral superiority over Dutch colonial policy; yet the Dutch have hitherto concluded that the plantation system is an indispensable support to their economic and social policy in Netherlands India.

It will be helpful to review the argument of a Dutch writer² whose goodwill and good faith are beyond question. For a considerable distance it runs parallel with the British theory of 'dual mandate'. It denies that any fragment of humanity possesses a natural right to bury its talent and to withhold from the community of nations the resources which wise development would make available. It affirms that development is necessary for the well-being of the very

¹ See C. R. Fay, *Plantation Economy* (British Association for the Advancement of Science, 1937, Section F), p. 120: '... the plantation to-day is closer to certain forms of forestry than it is to grain crops or roots. One may think of it with advantage as intensive forestry conducted in regions of hitherto sparse population.'

² A. D. A. de Kat Angelino, *Colonial Policy* (The Hague, 1931), esp. vol. ii, chap. vi.

people who actually inhabit the territory concerned. Trusteeship for those peoples who are unable to stand upon their own feet in the modern world will be an empty phrase unless it helps them to approach the standards of nutrition, health, and education which the advanced nations of the modern world already enjoy. No colonial government will be able to justify itself before world opinion if it is failing to improve agricultural technique and diet, or to combat illiteracy and disease. But to achieve this kind of progress it must command an increasing revenue. The only possible source of an increasing revenue is increasing productivity. Expert opinion in Netherlands India has generally concluded that the Native system of production is incapable of improving itself quickly enough to meet the urgent need. The primitive economy needs to be reinforced by 'organizations upon a modern and scientific basis'. These organizations will provide the resources which governments may use to establish the communications, the hospitals, the schools, the agricultural services which the territory and its inhabitants need. They will also by force of example and pressure of competition exert a vigorous influence upon indigenous society, hastening the day when it will be able to 'fend for itself'. Their example will compel the Native society to discard its 'mystical-magical technique' and to substitute an 'active' conception of land-ownership for its own traditional 'passive' conception. The Native system of ownership and production belongs to a sociological phase which has already passed: the 'isolating tendencies' of village co-operation must perforce be transcended by a wider co-operative spirit and organization which can grapple with the necessities imposed by the new economic environment in which the village is now set. For the sake of the Native population itself, the European power which by its history has been put in the position of trustee dare not show too much patience and tolerance. It must bring into action its own resources of knowledge and technique, directly and quickly.¹

This argument in support of the plantation policy is a powerful one. An examination of the relevant facts of a particular territory may perhaps prove that it is valid for that territory.² But its general

¹ *Ibid.*, pp. 426-30.

² It cannot, however, be assumed that the argument has been completely proven for the Netherlands East Indies. The question to be decided is whether or not the indigenous population might have responded (as Raffles believed that it would respond) to the stimulus of the western economic system, expressing itself in price inducement to new directions and new quantities of production. The experiment of liberal individualism begun by Raffles lasted too short a time to make possible a demonstration one way or the other. It may be that the response would have proved insufficient: there is, however, no doubt that it occurred in some degree whenever

validity has no more been proved than the general validity of the argument against plantations has been proved. What so far has been proved is simply the fact that colonial idealists do not all think alike. An understanding of this diversity of aim and opinion should be a protection against the danger of ethical prejudice and an encouragement to study the diverse circumstances of particular territories. It is a pity to become entangled prematurely in ethical disputation. After all, it is only in recent times that ethical considerations have dominated the discussion of policy; the actual policy very often dates from an earlier time, and was determined by other considerations.

It will be useful to consider a little farther Dutch experience in Netherlands India. What really determined Dutch policy there for three centuries was the commercial opportunity offered by the European market for spices, coffee, sugar, and other tropical commodities. There were two methods of securing the desired products. One method employed was to use political authority in order to secure deliveries from the Natives; the other method was to admit European capital and management to stimulate production. The first method was employed by the East India Company, and revived between 1830 and 1850 under the name of the 'Culture System'. Thereafter it fell gradually into disuse, though the forced cultivation of coffee was not finally abandoned until 1917. The second method was more in tune with the individualistic economic theory of the nineteenth century and the structure of commercial society in that century. De Kat Angelino describes as follows the new era which began about 1850: 'Liberalism, which wanted to restrict the functions of the State as soon as possible and to assure freedom of production and trade to the population, had therefore to advocate a more reasonable attitude towards Western Agricultural enterprise.'¹ This 'more reasonable attitude' lasted well into the twentieth century: for example, the establishment by private enterprise of palm plantations—a venture which has had serious significance for West Africa—was first undertaken in the year 1911.

It was in this same year, 1911, that the Lever interests secured from the government of the Belgian Congo extensive areas for the purposes of developing the palm-oil industry. This happened after application had been made in vain for concessions in British West Africa. It is obvious that colonial governments which proposed the

the Natives were given the opportunity of making it. See Furnival, *Netherlands India. A Study of Plural Economy* (Cambridge University Press, 1939), *passim*.

¹ Angelino, *op. cit.* ii. 440.

same ethical purposes had very different conceptions of policy. It is necessary to get some understanding of the reasons for this contrast.

We cannot, however, begin our concrete West African inquiry until we have cut a rough path through still another tangle of general discussion. This time it is a legal tangle. If the ethical disputation is baffling because of the vast and vague issues which it raises, the legal wrangle confuses us by the multiplicity of its petty details. Let us take rough bearings by the plain landmarks of economic history. We begin with the demand of Europe for tropical commodities. We confront this demand with the conviction almost universally held by the inhabitants of tropical countries that they are the rightful possessors of the soil—even of soil which they occupy very sparsely. How can these opposing attitudes be reconciled? There is of course no difficulty if the Europeans are content to wait upon the free adaptation of the native cultivators to the demands of the European market. But if they find this process of adaptation too slow, if they compel the natives to produce the crops they want, or if they throw land open to European planters, they must surely apply and profess a theory of law which overrides the Native land law. In Netherlands India the *Adat* law of the indigenous population forbade the Native communities to alienate land, even to other Indonesians. But the Dutch government held a legal theory of state over-proprietorship. It invoked this theory in support of the culture system. It also invoked it to justify its policy of making land available to European planters.

It would therefore at first sight seem that the issue is a very simple one: a government which wishes to open its colonial territory to planters will adopt a theory of state over-proprietorship, but a government which wishes to keep planters out will admit the absolute proprietorship of the indigenous communities. The historical reality is, however, quite different. The Native principle of the inalienability of tribal lands has again and again proved its incapacity to prevent the dissipation of the tribal inheritance. Faced with the temptation of money and goods which European land-takers have pressed upon them, chiefs and tribes have time after time succumbed. A cynic might even argue that the quickest way of separating a primitive people from its land would be to admit without qualification the people's right of absolute ownership. This was the experience of New Zealand, where the Treaty of Waitangi recognized that the ownership of lands and forests was vested in the Maori chiefs. But the experience of Northern Nigeria was the very opposite: there the principle of Crown ownership was established at the very beginning, with the

intention and with the effect of maintaining the cultivators in secure occupation.¹

It is therefore necessary to look behind the legal theories of colonial governments to the actual circumstances of the territories which they rule, the degree in which they understand these circumstances, and the policy which they choose to pursue. Frequently, policy is a compromise. The lands which planters hold to-day in Netherlands India have come into their possession, partly by transfer from the State as supreme landowner, partly by free alienations from Native communities which, under great temptation, broke loose from the restraints of Native law. The government of Netherlands India discovered during the nineteenth century that it had to pursue a twofold policy. Even while it was opening the way for European planters, it had to guard against the wholesale destruction of Native landownership. It began very early in the century to legislate protectively, though a considerable time elapsed before it attained an adequate understanding of the land-system which had to be protected. In 1835 it satisfied itself with a law forbidding the alienation of 'land in actual use': it ignored the present economic significance of the wastes which surrounded the village fields, and the future needs of a rapidly expanding population. In reaction against this restrictive interpretation of Native need and right, there grew up later a school of thought which maintained that all land, however sparsely inhabited it might be and however fictional might be its economic use, was in legal right the absolute possession of some community or another. De Kat Angelino believes that the government, when it rejected this theory, acted rightly. Acceptance of the theory would have placed upon the primitive *Adat* communities the impossibly heavy burden of the 'complicated modern relations for which they were not originally meant';² it would have vetoed altogether the impressive economic development which has taken place in sparsely inhabited Sumatra. But the government decided to follow a more moderate policy, which found its first clear expression in the legislation of 1870. It re-stated the principle of supreme state-ownership; but at the same time it made a distinction between 'unfree state property'—the occupied homesteads, fields, and grasslands where community rights were inalienable—and 'free state property'—the land which was not in community use, and was therefore subject to government transfer by sale or lease. A very similar trend of policy may be observed in the African dependencies of France, Belgium, and Germany. These three colonizing powers generally began by maintaining the theory of state over-

¹ See p. 187, below.

² Angelino, op. cit. ii. 432.

propriatorship. In the early days of their rule they usually employed this legal theory as an instrument of ruthless land-taking. But their ruthlessness got them into trouble. Not only did it offend the spirit of justice which was alive and vigilant among sections of opinion in Europe; it also menaced social and political stability in the colonial territories, and even economic progress. A reaction therefore set in: humanitarians and anthropologists argued that by Native law all land was the inalienable property of the people, and that Native law must be respected. The governments refused to go so far as that; but they attempted to limit and to repair the damage which their inexperience and greed had done. Modern French theory reproduces the Dutch distinction between free state property which may be alienated and unfree state property which belongs inalienably to the indigenous population: only in the *terres vacantes et sans maître* does it give right of entry to European possessors, and its tests of what constitutes vacancy have become increasingly strict. Before 1914 both the Germans and the Belgians had begun to follow the same path of policy. Either by establishing Reserves, or by revising their original concessions, they attempted to mitigate the mischief which their earlier lavish alienations of land had wrought.

Great Britain's policy in Africa was far less clear-cut than that of the other European powers. It was British society, rather than the British State, which led to the expansion; the legal advisers of the government believed until the very end of the nineteenth century that the establishment of a protectorate did not establish sovereignty and therefore did not confer upon the protecting government the right to dispose of lands. Whether or not Native lands did fall into European possession depended on the outcome of the struggles between missionary opinion and the claims of settlers, between the interests and ideas of one section of business and those of another. It also depended on climate and the general economic environment. More than half of the territory of Southern Rhodesia passed into European possession without the aid of the theory of supreme state ownership.¹ In East Africa, on the other hand, the theory was used in the early years of the twentieth century as an instrument which would clear the highlands of Kenya for European occupation. The same theory was asserted in Uganda; but there it failed to produce the same effect—partly because the more elevated land which the white settlers coveted was detached from Uganda and attached to

¹ It was not until a Privy Council decision of 1918 that it was established in law that supreme ownership could have been claimed by the Crown after the defeat of Lobengula. See Hailey, *op. cit.*, pp. 734, 799.

Kenya, partly because the peasant cultivators of Uganda (with some very positive stimulus from the government) made an economic success of cotton growing. The British administrations in East Africa troubled themselves very little with imperial planning or social theorizing. What interested them most was revenue. They had to provide the elementary public services and they had to stimulate a traffic which would give some return upon the capital sunk in the East African railway. For this purpose they needed commercial exports. White settlement seemed the quickest way of producing them in Kenya; but in Uganda the Native inhabitants proved their capacity to produce them.

In West Africa the geographical and economic environment was very different. Under nineteenth-century conditions, climate and disease were an absolute bar to white settlement. The impulse towards a scientific plantation-agriculture in West Africa did not become insistent until the second decade of the twentieth century. But in the last quarter of the nineteenth century there occurred in certain non-British territories a frenzied rush of ruthless unscientific exploitation. The exploiting agencies were governments and concessionaires working in partnership; the areas of most ruthless exploitation were the Congo Free State and French Equatorial Africa. Setting aside the crazier aspects of King Leopold's private accounts, we may regard his policy in Congo Free State as an attempt to finance a madly impatient policy of development. Without the backing of a metropolitan exchequer, he had to pay for a rapid territorial expansion and a complete new outfit of administration and communications and public works. He attempted to do so by alienating to private capital exclusive rights over minerals and forest-products throughout vast areas, with power to make drastic demands upon native labour in those areas. At the same time he used the labour tax as an instrument of direct exploitation within his own domain, and drew a shareholder's profits from the enterprises of the great concessionaires. It was a sinister combination of monopoly capitalism and governmental power. Its cruelty provoked a revolt of conscience in Europe and caused the downfall of the Congo Free State. Its economic wastefulness would in any event have necessitated a change of system. By 1908 the resources of wild rubber in the Congo territory were becoming exhausted: the resources of labour were also approaching exhaustion. It was already becoming clear to intelligent capitalists that there was no longer any profit in forest robbery. To rescue their investment and repair the damage which their greed had done, the concessionaires and the government were compelled to adopt a new method of

scientific production which, because of its higher efficiency, was more moderate in its demands upon Native land and labour. But some elements of the old system reappeared in the new one. The concession granted in 1911 to the Huileries du Congo Belge, an organization controlled by the British firm of Lever Brothers, marks the transition.¹

French Equatorial Africa, like the Belgian Congo, passed through the phase of forest concessions to the later and more scientific phase of a plantation economy. But in West Africa this history did not repeat itself. The only concessions of any importance which have been granted in British West Africa are concessions to mining companies. Concessions on the Congo model for the collection of wild forest-produce were never seriously considered. Concessions for the establishment of scientific plantations were in more recent times demanded; but the demand was—generally speaking—refused, or hedged with conditions which amounted to refusal.² These historical facts have played a very important part in deciding the economic structure of British West Africa and in determining the problems which governments must face to-day.

How did it happen that British West Africa was spared the invasion of concessionaires which devastated the forests and abused the tribes of the Congo Free State? This question cannot be adequately answered in a few sentences; but the answer may be found by implication in the history of that 'just and equitable traffic' which grew up during the nineteenth century. The ideas of Wilberforce and Adam Smith gradually realized themselves in a commercial organization and tradition which absolutely barred the get-rich-quick frenzy of King Leopold. Neither the British government, nor the Royal Niger Company, nor the individualistic traders, were tempted to imitate it. A different and more solidly grounded economic system was already in being as a going concern. A more rational and humane commercial collaboration between Europeans and Africans was already bringing impressive quantities of palm-oil and palm-kernels to market; collaboration of a similar type was capable of creating the new trades in cocoa and ground-nuts and cotton. It was only in the production of minerals that direct European control appeared to be the necessary condition of economic progress.

The plan of this chapter does not include a full investigation of the

¹ R. Buell, *The Native Problem in Africa* (Macmillan, 1928), gives a good general account of the development of policy in the Belgian Congo. See section xi, esp. chaps. 82-3, 86-91.

² See below, pp. 190-2.

mineral industries of British West Africa, but it is worth while to discuss at some length the effect of mining enterprise on the land system of the Gold Coast. During the last two decades of the nineteenth century the rapid progress of communications, medical efficiency, and engineering technique opened the way for large-scale development. The relations which ensued between concession-seekers, chiefs, and the government illustrate very forcibly the paradox which has been stated above—that a government which wished to dispossess a Native people could hardly do better than proclaim the principle of absolute ownership by the Native communities. Many of the early transactions between concession-seekers and chiefs were altogether outside the sphere of British authority, which was not extended to its present territorial limits until 1901. Within the areas which it ruled the government had never attempted to assert the principle of supreme Crown ownership. It recognized full Native ownership both of the surface soil and of the minerals below it. We shall later on examine more closely the internal characteristics of this ownership: here it is sufficient to say that the cultivating families enjoyed under Native custom full rights of occupancy, and that the uncultivated forest or waste was regarded as 'stool land'—a tribal heritage reserved against future need under the guardianship of chiefs and elders.¹ This heritage was by Native law inalienable. But the guardians of the heritage greedily snatched at the profits of alienation. 'Their sense of obligation to the tribe', declared an official investigator in 1911, '... was frequently obscured by their greed for money.'² It was not only the chiefs and elders who pocketed the money: a great deal of it enriched the rising lawyer class, which profited not only by normal conveyancing business but by the fantastic piling up of litigation due to the indefiniteness of stool boundaries in a sparsely-populated forest country.³ It became clear before the end of the nineteenth century that the traditional leaders of 'the people' of the Gold Coast were incapable of protecting the people's land. Their conception of the common weal was too fragmentary both in space

¹ *Report on the Legislation governing the Alienation of Native Lands in the Gold Coast and Ashanti*, by H. Conway Belfield, Cd. 6278 of 1912, para. 25: 'Stool land is land which is held by the chief in present occupancy of the stool, in association with his elders, as trustees for the tribe.'

² *Ibid.*, para. 29.

³ *Ibid.*, para. 33. 'It appears to have been the case that the chiefs who have had the best opportunity of raising money by concessions are those who have plunged the stools most deeply in debt. The debts, which in some instances show a total of four figures in sterling, have been incurred in respect of what was for the most part unnecessary reference to the courts.' See below, sect. v, for some concrete study of the problem of litigation about land.

and in time. Such loyalty as they possessed was to the separate tribe, not to the common territorial home of all the tribes. Even this restricted loyalty was too weak to resist the temptation to squander for immediate profit resources which the tribe would need in the future. No other authority than the colonial government was capable of defending the common interest of all the tribes and of their posterity. But when the government attempted to assume the necessary authority, chiefs and lawyers raised the cry that it was plotting to rob 'the people' of its land.

It was in 1894 that the government made its first attempt to control the rush of the mining concessionaires, and to defend the interests of the tribes against the practices of their unfaithful guardians. In that year it proposed an ordinance which aimed at vesting 'all waste land and forest land in the Gold Coast in the Queen for the use of the Government of the Colony'. Similar legislation elsewhere in Africa, as we have seen, opened the way for white colonists and planters. It is no doubt understandable that literate Africans and British humanitarians raised a shrill outcry against the proposed ordinance. The British humanitarians and some of the Africans honestly mistook the shadow of law for the substance of policy: other Africans knew very well what they were doing, and wanted to perpetuate an anarchy which permitted them to feather their own nests at the expense of the community. The colonial government was honestly attempting to serve the interests of the community. It had no designs of taking land for the benefit of settlers or planters. It was admittedly willing and anxious to facilitate mineral development by means of European capital: so, for that matter, were the chiefs and lawyers. But whereas the chiefs and lawyers desired to make money out of the existing disorder, the government desired to establish order so as to safeguard the present and future interests of the territory and its people.

Opposition in the colony and in Great Britain compelled the government to drop its ordinance and to postpone further action pending an investigation of Native land rights. In 1897 it made a second attempt to control concessions. The Public Land Bill of that year attempted to facilitate the orderly progress of development and at the same time to prevent the squandering of resources. Its intention was 'to provide for the proper exercise of their powers by those entrusted with the disposal of public lands and to prevent the improvident creation of interests therein and rights thereover'. There was some ambiguity in the draftsmanship of the Bill; but the chiefs and lawyers and their friends in England believed—probably correctly—that it had the same intention as the previous measure. They argued

that it would have the effect of making the government the paramount owner of all unoccupied land which henceforth would be Crown land instead of 'the people's land'. Local opposition was fiercest in the district of Cape Coast Castle: the chiefs and lawyers in that district organized an Aborigines' Rights Protection Society, and sent a deputation to England to protest against the Bill. The deputation achieved success. Since 1897 there has never again been any challenge to the principle that unoccupied land is vested in the stools of the paramount chiefs.¹ All that survived from the proposed legislation of 1897 was the Concessions Ordinance of 1900 which defined the extent of the areas which might for various purposes be leased, limited the duration of leases to ninety-nine years, and entrusted to judicial authority the duty of validating or invalidating the agreements negotiated between concessionaires and chiefs.

The Concessions Ordinance was better than nothing; but it failed to confer upon the government the powers which it needed for safeguarding the common weal of the Gold Coast and its people. The government, it will be shown later,² needed power to take positive action in defence of the watersheds and forests whose maintenance was necessary for the economic future of the colony: the tribal fragments of Native society were utterly incapable of appreciating and defending this common interest.³ Moreover, the hereditary trustees of tribal lands did not find the supervision of the Concessions Court a very serious hindrance to their squandering activities. The course of events in the mining districts of the Gold Coast during the first ten years of the twentieth century may be illustrated from the statement of a sub-chief in the Tarquah district to an official British investigator of the Gold Coast's land legislation:

'The land attached to my stool', he testified, 'is very extensive, but I could point out its boundaries.'⁴ About one half of my stool land has been alienated. I have no intention of giving further concessions, but might do so in certain circumstances. I have refused to grant concessions on two or three occasions, but have so far granted between 60 and 70. . . . The land is usually described in square miles. I do not know what a square mile is. Sometimes I have given more land than I intended. . . .

¹ Hailey, *African Survey*, p. 776, gives references for Supreme Court judgements establishing this principle.

² See below, pp. 251-3.

³ Cmd. 6278, para. 166. 'There is no real desire on the part of the people to conserve the forest land—they are naturally careless and wasteful in their methods of dealing with it, and they are quite unconvinced that any alteration will tend to the advantage of the country.'

⁴ The neighbouring chief would, of course, point out different boundaries, and the lawyers would profit by the ensuing litigation.

Of the money received in respect of land conceded, I usually give one-fifth to the Paramount Chief, the remainder being divided between my stool, myself, and my elders. The ordinary members of the tribe get nothing. I spend some of my portion on my tribe and some on myself and my family.

'There is a debt attached to my stool to the extent of £5,000 or £6,000. The debts are two years old and were incurred mostly in lawyers' and court fees. My income from rents is £100 per annum.'¹

It would be possible to quote from the appendices of Mr. Conway Belfield's report many other statements no less damaging than the one which has been quoted. Yet every chief and every African lawyer who gave evidence before the commissioner expressed complete satisfaction with the flourishing trade in concessions. 'It is beneficial all round', declared the president of the Aborigines' Protection Society.² We must be careful not to be unfair to these witnesses. The concessions with which they were concerned were chiefly (though not entirely) mining concessions, which did not seriously infringe the rights of cultivators upon the surface of the land.³ It is difficult,

¹ Cmd. 6278, p. 76.

² *Ibid.*, p. 83.

³ They led, however, in certain districts to a wasteful exploitation of timber and to socially-harmful developments such as the 'mushroom towns' described in the first report of the Gold Coast Department of Labour. Mr. Ormsby Gore was informed in 1926 that 9,000 square miles of the total 23,000 square miles of Gold Coast Colony had in some form been subject to concessionary rights; though two-thirds of this area had been abandoned or never completely utilized. Most of the concessions were for mining, but there were also some appreciable concessions for timber and rubber, and some for cultivation also. See *Report on a Visit to West Africa*, Cmd. 2744 of 1926, p. 152. For later figures of concessions in Gold Coast and Ashanti see Hailey, *op. cit.*, p. 778.

In Nigeria the most important mining concessions have been in the tin-producing area of the Bauchi Plateau, where there was an ancient smelting industry. Its existence was known in the days of the Royal Niger Company, which traded European goods for 'tin straws'—curious ingots consisting of a number of coarse wires of metal uniting at the end in a block. [See article in *Tin* (Monthly Official Bulletin of Tin Producers' Association), April and May 1936.] When the Royal Niger Company's charter was revoked in 1900, the government paid the Company £450,000 in compensation for the expenses it had incurred in administration, and also undertook to impose royalties on the minerals won between the River Niger and a line drawn from Yola to Mina, and for 99 years to pay the Company half the receipts from the royalties. They are fixed to-day on a sliding scale according to the price of tin. The first tin-prospecting expedition was organized in 1902: by 1910 the yield was 774 tons, and the government formed a Mines Department. The Royal Niger Company thereafter was content to encourage other companies, and profit by its share of royalty. In 1935 tin represented 13 per cent. of Nigeria's exports. This chapter does not discuss mining at any length. Its importance is brought out by Professor W. M. Macmillan in *Europe and West Africa* (O.U.P., 1940), ch. iii. Cf. Frankel, *op. cit.*, ch. v, sec. i, esp. pp. 180-1. 'Mining has been the touchstone of economic development in most of Africa, and the areas most advanced economically are those whose main activities

nevertheless, to avoid the impression that the chiefs and lawyers of that period would have surrendered almost anything for a cash payment. It was not to the Native land law nor to the Native trustees of the tribal heritage that the Gold Coast owes its present-day system of peasant agriculture. It owes that system to the rapid expansion of the cocoa business and the economic advantage enjoyed in that business by the small cultivator.¹ It also owes it to the governmental policy of opposition to plantation interests, a policy which will be examined later.

The chief defect of the Concessions Act as a means of checking wasteful alienations of native land-rights was the judicial procedure upon which it insisted. The judicial inquiry, as the Belfield Report pointed out, began only when the transaction was approaching its completion, and it entrusted the final decision to men who had no first-hand knowledge of local circumstances.² Elsewhere in British West Africa there was more effective governmental control. In the Protectorates of Sierra Leone and Southern Nigeria, although the ownership of land remained vested in the tribal authorities, the government assumed direct power of validating or invalidating alienations.³ In Northern Nigeria the British government secured a still stronger control, for it was heir to the rights of supreme ownership which the Fulani dynasties possessed. In Proclamation No. 8 of 1900 Major Lugard made it clear that the new government would use its powers to prevent Native land from passing into the hands of non-Natives. At one time there was a prospect that Northern Nigeria might have been made the *corpus vile* of experiment in accordance with Henry George's theories of economic rent and the

rest on mineral exploitation.⁴ In 1937 gold amounted to 47 per cent. of the total exports of Africa. The figures for British West Africa were:

	<i>Mineral exports</i>	<i>Non-mineral exports</i>
	£	£
Gold Coast . . .	3,793,000	5,448,000
Nigeria	1,753,000	9,448,000

It is important, particularly in time of depression, that investment in mining takes the form of equity shares.

¹ In the eighteen-nineties there occurred in West Africa some experiment in the plantation method of producing cocoa: the experiment failed. See McPhee, *op. cit.*, p. 44 and references.

² The Belfield Report recommended that oversight should be transferred from the courts to the administration; but the lawyers opposed this.

³ See, e.g., the Sierra Leone Concessions Ordinance of 1902. In Ashanti also regulation of land transactions is in the control not of the judiciary but of the administration.

single tax;¹ but in the end Northern Nigeria's legislation was content to state in general terms the two principles of public ownership and Native security. The Land and Native Rights Ordinances of 1910 and 1916 laid it down that the whole of the lands of the Northern Provinces, whether occupied or unoccupied, were 'Native Lands', and that all rights over them were placed 'under the control and subject to the disposition of the Governor, and shall be held and administered for the use and common benefit of the natives, and no title to the occupation and use of any such lands shall be valid without the consent of the Governor'.² This legislation gave the government complete legal powers for the protection of Native tenures and also for the defence of the wider interests—for example, the vegetal covering and water resources—of the whole territory. English liberals whose good faith was beyond question believed that the same principles ought to be embodied in the legislation of Southern Nigeria, the Gold Coast, and Sierra Leone.³ But the coastal populations imagined, or professed to imagine, that they were once again threatened by a sinister plot to take away 'the people's land'.

No more need be said at present about land legislation.⁴ It has now been shown that economic circumstance and governmental policy are more important than legislative form,⁵ and that the rush for concessions in British West Africa was, until the first decade of the twentieth century, restricted to the mining industry. The way is now open for the examination of a new period, in which the impulses of scientific capitalist production and governmental policy in British West Africa openly and sharply clashed.

¹ For discussion see *Report of the Northern Nigeria Lands Committee*, Cd. 5102 of 1910.

² *Laws of Northern Nigeria, 1923*, chap. lxxxv, art. 4. Broadly speaking the same principle obtains in the Northern Territories of the Gold Coast.

³ A letter to *The Times*, 6th June 1912, signed by E. D. Morel, Noel Buxton, J. Ramsay MacDonald, and others, asked the Colonial Office to consider whether it was expedient to establish the Northern Nigerian system in the southern territories of West Africa, with 'the threefold aim of legalizing the rights of the Natives to the occupancy and use of the soil, preventing the creation of monopolies in the soil's produce whether natural or cultivated, and reserving the value of the land, and freedom of access to it, for future generations'. Thereupon the Colonial Office appointed the West African Lands Committee, which took voluminous evidence but never reported.

⁴ Other aspects are discussed below, sect. v.

⁵ Lord Hailey, at the conclusion of a chapter which goes a very long way to clear up the intricacies and confusion of land legislation in Africa, expresses this opinion: 'It is important that a study should be undertaken, on much more comprehensive lines than has been possible here, of the action taken by different African administrations in regard to land: but the important chapters of that study will deal less with the legal and juristic aspects of the rights which governments have asserted, than with the economic and social consequence of the uses to which they have put those rights.' *African Survey*, p. 803.

The early decades of the twentieth century were a time when the demand of Europe and North America for tropical produce appeared illimitable, and the response of tropical territories seemed too slow to satisfy impatient industrialists and business men. They became eager to take into their own hands the business of speeding up production. Very often they failed to anticipate the difficulties or to count the cost. Their great expectations seldom survived West Africa's testing. Sometimes they learnt their lesson quickly. The British Cotton Growing Association discovered by experience that peasant production was generally a more economical proposition than plantation production, and its record in West Africa reveals the unusual qualities of flexibility and wisdom with which it adapted itself to an unexpected situation.¹ Similarly, it needed only a little experiment to convince would-be cocoa planters that they would be wiser to avoid competing with the Native cultivators. Ground-nuts obviously were the small man's crop: so were ginger, benniseed, piassava, rice, and other little ventures of West African agriculture.² But the most important of West Africa's exports, the oil and kernels provided by the palm forests of the wet coastal districts, belonged to a different class.

It could be argued with considerable force that plantation methods should be introduced into the palm-oil industry, as they had been introduced into the cultivation of rubber.³ The Natives did not cultivate the palm tree; they contented themselves with collect-

¹ The B.C.G.A. (see *supra*, vol. ii, part i, p. 123) was established in 1902, and was granted a royal charter in 1904. In Nigeria it made its first efforts in the south, and by plantation methods. Later it turned its attention to the north, and concentrated its efforts on the distribution of seed, purchasing, and ginning. It provided the market: at one time it was the sole buyer, the firms acting for it on commission. When the firms started buying on their own account the B.C.G.A. pulled out and contented itself with the business of ginning. However, in remote areas where the firms do not venture to operate, the B.C.G.A. is still willing to purchase cotton: it is doing so at present in Kontagora and Abuja. Thus it renders a real service to development. For its place in the cotton marketing scheme, see below, pp. 233-4.

² Some of these crops developed later, and are discussed below, sect. iv. Mr. Ormsby Gore (Cmd. 2744 of 1926, pp. 152-3) was enthusiastic about the prospects of two cocoa plantations—Abomposo in Ashanti (a private venture) and Bosuso in Gold Coast Colony (U.A.C.). Ten years later the first was barely keeping its head above water: the second had been given to the government, which in turn gave it to Achimota College. It might, however, be unwise to treat these examples as decisive: a cocoa plantation owned by the United Africa Company on the (French) Ivory Coast was reported to be in a flourishing condition at the very time when the two plantations mentioned above were falling into difficulties.

³ For what follows I wish to acknowledge my debt to a stimulating paper by Professor Knox, of St. Andrews University, entitled 'The Oil Palm Industry'. The paper was prepared for the British Association (Sept. 1939): owing to the outbreak of war it was not read or published, but has been kindly made available to me.

ing the fruit which grew in the untended forest. The wild trees were crowded by each other and by the tangled bush: in addition, they suffered by the bush firing which was an annual episode of Native agriculture. They grew tall, came late into bearing, imposed a heavy labour task upon the Native fruit-gatherers, and through lack of planned replacement offered declining yields. Scientific management would abolish these heavy losses and costs, and would improve both yield and quality by selective breeding and sowing. It would also abolish the losses which were due to the wasteful Native methods of extraction. In an average ton of Nigerian fruit there was about 4 cwt. of oil, but the Natives were able to extract only 2 cwt.: 50 per cent. of the oil was left in the fibre and burnt or otherwise wasted. The quality of the oil was also bad. The clusters of fruit were gathered slowly and in small quantities, and allowed to lie until there was a sufficient heap for boiling: fermentation on the neglected heaps produced a high percentage of free fatty acid, which in all vegetable oils is the chief cause of low quality. But scientific plantations and scientific mills would eliminate these causes of deterioration and waste. There was no reason why 85 per cent. or more of the oil should not be recovered from the fruit. There was no reason why the percentage of free fatty acid should not be kept well below double figures. There was no reason why the trees should not be made to yield their fruit earlier, and yield more of it, and yield a better quality. If these results were not achieved in British West Africa, they would be achieved somewhere else. The world market demanded it. And the world market would penalize the sellers who were unable or unwilling to adapt themselves to its demands. It might for a time content itself with price discrimination in favour of competitors who offered a higher-quality product; but in the end it might turn to these competitors for the whole supply. The governments and peoples which had refused admission to European planters would then find that they had sacrificed the substance of economic independence for the sake of the shadow.

This roughly is the argument which for more than thirty years has been urged time and time again upon the West African administrations by the powerful interests which are concerned with the commerce and manufacture of oils and fats. In some respects it has gained additional force with each passing decade: some of the prophecies which thirty years ago seemed alarmist have now been fulfilled. Yet the administrations of British West Africa have steadfastly rejected the argument. The planters' frontier has failed to achieve secure lodgement on the British section of the west coast.

Lever Brothers made the first attempt in the year 1907. They requested the Colonial Office to secure for them the right to erect mills and to acquire land for planting. Their reception was discouraging, and in the following year they modified their request: this time they did not ask for land, but merely for an exclusive right to build mills and lay down mono-rails. The Nigerian government answered with a direct refusal. The government of Sierra Leone gave an assent so hedged about with conditions and qualifications that it excluded the possibility of commercial success. The applicants were granted neither an effective right of use over land nor the exclusive right of purchasing the fruit necessary to feed their mills. Experience quickly proved that any mill which could not count upon a regular and sufficient supply of fruit was doomed to economic failure.¹

The liberal government which held office in the United Kingdom before the war of 1914–18 had thus clearly demonstrated its determination to protect the West African Natives against 'the soap boilers of the world'.² This tone of thought and phrase was uncomplimentary to the plantation interests. But the new tone of thought and phrase which became fashionable during the war of 1914–18 was alarming to all who cared for the real interests of West Africa and its people. In 1917 the Empire Resources Development Committee launched its agitation for the exploitation of Great Britain's 'Imperial Estate': the Committee promised profits large enough to pay off the whole war debt and give to British workers increased wages and a six-hour working day. Its propaganda laid special emphasis upon the great profits which could be raked in from the West African section of Britain's 'estate'. This greedy and hubristic conception of the Empire was at its height in 1920.³ But the British West African administrations were determined to prevent it from penetrating the

¹ On this first phase (1907–11) see *Correspondence respecting the Grant of Exclusive Rights for the Extraction of Oil from Palm Fruits*, Cd. 6561 of 1913. The policy of the Sierra Leone government can be seen in the Palm Oil Ordinance No. 7 of 1913. It empowered the Governor to grant renewable rights to concession-holders for the exclusive erection of mills; but the area in which the right would be exercised was not to exceed 10 square miles, the period in the first instance was not to exceed 21 years, and the Governor must have the assent of the tribal authority before granting the concession. Lever Brothers had made their first plantation venture in the Solomon Islands about 1902: it is said with the support of Joseph Chamberlain. The success of this venture awakened interest in the Belgian Congo; but before turning to the Belgian Congo the firm attempted to carry out its plantation policy in British West Africa.

² *H. of C. Deb.*, 1913, vol. lvi, col. 786 (Harcourt, 31st July 1913).

³ A very full account of the Empire Resources Development Committee, its propaganda and the counter-propaganda, has been given in this *Survey*, vol. ii, part i, pp. 106 ff.

territories for which they were responsible. In 1920 Lord Leverhulme made a second attempt to establish the plantation system in British West Africa: appearances to the contrary, it was an unpropitious time for making the attempt.¹

Once again the tone of thought and phrase quickly changed: the idea of the dual mandate became orthodox. At the same time the economic prospects quickly changed. In the early nineteen-twenties it was no longer possible to picture British West Africa as a monopolist-producer able to impose its own terms upon the world market for vegetable oils. The West African producers felt, for the first time, the pressure of a competition which was growing at a sensational and menacing speed. It was no longer a spirit of greed, but one of fear, which dominated the economic discussion.² The time seemed propitious for a third assault upon the obstinacy of the West African administrations. Lord Leverhulme made a personal visit to West Africa. He demanded freehold concessions for planting, a labour supply guaranteed by the government, and the exclusive right of purchasing fruit from Native sellers at a price fixed by his own mills. But to all his demands he received a downright refusal.³

These demands have never been repeated. The propaganda in favour of plantations has been since 1925 not aggressive, but wistful. The Colonial Office has induced the West African governments to encourage the Lever interests just a little by leaving the door of their hope just a crack open. In 1926 Mr. Ormsby Gore accepted the argument that the erection of efficient central mills was necessary to save the palm-oil industry: he also advocated the establishment of 'nucleus' plantations as a means of ensuring for the mills some regularity of supply, and of educating the Native producers.⁴ The government of Nigeria acted very cautiously in the spirit of these recommendations. It showed itself willing to grant 99-year leases for experimental or 'nucleus' plantations. The door of the planters' hope seemed to be opening just a little. But in 1936 the government decided that it had opened too far, and pushed it back again.⁵

¹ In 1920 Lord Leverhulme demanded freehold right for the plantations which he planned in Nigeria.

² See *West African Palm Oil and Kernels*, Colonial No. 10, 1925. This report (discussed above, vol. ii, part i, p. 121) saw no future for West African palm-oil and kernels unless there was a radical change in method.

³ Lord Leverhulme's demands of 1925 are discussed in *Report by the Hon. W. G. A. Ormsby-Gore, M.P. . . . on his Visit to West Africa during the Year 1926*, Cmd. 2744 of 1927, pp. 107-8. See also Buell, op. cit. i. 775.

⁴ Cmd. 2744, pp. 103 ff.

⁵ The Nigerian government decided in 1936 to permit no more leases in Calabar

The conclusion is now clear: the governments of British West Africa have effectively resisted every attempt to establish a plantation economy in place of the traditional Native system of land ownership and management. It is time to examine the grounds of their refusal, and to consider its consequences.

It fell to Sir Hugh Clifford, who was Governor of Nigeria in the years which followed the War, to play the leading part in defeating the programme of Lord Leverhulme. In public addresses and in confidential memoranda he repeatedly placed on record the reasons for his resistance.¹ They were reasons both of economic expediency and of social and political principle. He believed that the champions of a plantation economy vastly exaggerated its economic strength. They were doubtless correct in their estimate of its technical advan-

and Warri Provinces: elsewhere it was prepared to consider each application on its merits, always providing (1) that there was no congestion of population in the area in which the lease was sought; (2) that there should be no fear of converting peasants into labourers, or of upsetting the tribal balance by the importation of labour into the locality. These conditions effectively barred a real plantation economy.

A Nigerian government list compiled in 1936 enumerated twelve distinct plantation areas which had been leased at different times to different firms: most of these, as a result of the commercial amalgamations which will be described in the following section, had passed under the control of The United Africa Company. The total area of the plantations (which included some small rubber cultivation, but were chiefly palm) was 14,556 acres, approximately 22½ square miles. In some areas 'nucleus' plantations had been amalgamated into commercial units. The most important plantation, 'Ndian, the property of the United Africa Company, is not in Nigeria proper, but in British Mandated Cameroons: it was originally German freehold.

The developments in Sierra Leone, following Mr. Ormsby Gore's Report, are described briefly in Lord Hailey's *African Survey*, p. 782. The Concessions Ordinance was made less stringent by an amendment of 1931, but no concessions have been granted under the amended ordinance. In accordance with one of the suggestions of the Report, the government itself established a mill (for processing rice); but in the price depression of the early thirties the venture proved a costly failure. For a time the mill was run by prison labour: subsequently it was turned over to the United Africa Company to be run on a commission basis.

In the Gold Coast a government subsidy was guaranteed to a palm-oil mill erected in 1930 by a United Africa Company in Krobo. Despite the subsidy the mill was unable to run profitably in the depression years, chiefly because it was impossible to secure regular deliveries of fruit, although wild palms grew profusely in the area. One of the obstacles here and elsewhere was the vested interest of the women in the kernels, which are considered their perquisite. Mr. Ormsby Gore had already reported a similar failure in a factory established near Sekondi (Cmd. 2744, p. 103). Apart from these ventures, there are in the Gold Coast one or two precariously surviving rubber plantations, and one (Abomposu Estates) chiefly devoted to cocoa.

¹ e.g. Address to Nigerian Legislative Council 1920 (quoted Hailey, p. 982); Memorandum of 21st March 1926, Miscellaneous N. 386 (*Confidential*); also *Correspondence relating to the Policy to be adopted with regard to Projected Commercial Enterprises for Cotton-Growing on a Large Scale in the Tropical African Colonies and Protectorates*, Nigerian Leg. Co. Sess. Paper No. 1 of 1920. See Buell, *op. cit.* i. 772-4. The arguments about cotton apply still more to palm cultivation.

tages, but they were wildly optimistic in estimating its costs. The white man in the tropics was the most expensive of God's creatures. Salaries, pensions, vacations, establishment charges, directors' fees—these fixed overheads of management were a burden which would be hard to bear in times of depression. The problems of labour were even more disturbing. It had been proved by experience over and over again that tropical peoples with land of their own had no desire to work on European plantations. Why should they? On their own ground they could produce all that was needed to support their families, and they could also offer the staples of their country for the cash which they needed. Quantitatively, their production was likely to exceed by far anything which the plantations could achieve. And it was more solidly rooted in the soil of Native society. It would not fall to ruin in a slump. The Native producer had no managerial expenses and no wages bill. He would remain on his land, feeding himself and his family, selling what he could for money, when broken planters were fleeing to their homes in Europe, and leaving their plantations derelict.

Sir Hugh Clifford believed that economic facts favoured the peasant system. He also believed that Great Britain was committed to it on moral grounds. This, he said, was 'fundamental doctrine'. There was only one justification for British rule in tropical countries—its achievement in conferring upon their indigenous populations 'benefits that they could not confer on themselves'. They must therefore be protected in the possession of their lands, and be educated in the efficient use of them. 'Land policy . . . should aim, primarily, mainly, and eventually at the development of the agricultural resources of these countries through the agency of their indigenous inhabitants.' In a sparsely inhabited country like Malaya it was, no doubt, legitimate to import labour for the development of resources which otherwise would lie idle. But in the densely populated palm forests of south-eastern Nigeria there was very little land lying idle. The Native inhabitants would not willingly leave their villages and surrender their freedom in order to work at wages for white masters. The white masters would have to import labour, or else they would have to secure it by direct compulsion or by the indirect compulsion exercised through heavy taxation or dispossession. The planters could not solve their labour problem unless, in some way or another, a landless proletariat were created. That would mean a breach of Great Britain's 'fundamental doctrine'. It would also mean a breach of faith. 'The Government of Nigeria', Sir Hugh Clifford declared, 'has repeatedly pledged its word, in the most solemn and binding

fashion, to respect the inalienable communal rights in their tribal lands of the indigenous population of Southern Nigeria.¹

It is now clear that the refusal to admit the Levers' and other planting interests into British West Africa was supported by a three-fold argument—economic expediency, the principle of trusteeship, a solemn pledge. If economic expediency did really and indisputably support the principle and the pledge, controversy would be closed. Controversy always is closed when honesty is demonstrably the best policy. Human difficulties only begin when 'honesty'—for example, the fulfilment of a pledge—is in conflict with 'the best policy'—let us say the most advantageous economic policy. This conflict often occurs. Sometimes it may even happen that a principle can be maintained or a pledge observed only at the price of economic ruin. Should such a situation occur, a government will find itself assailed by conflicting counsels. Some people will call upon it to maintain its ground and defy ruin: 'Fiat Justitia, ruat coelum.' Others, appealing from the letter of 'honesty' to the spirit, will argue that no pledge should bar the change of policy which changed circumstances have rendered inevitable. Others again, while admitting the changed circumstances, will deny the inevitability of the particular change of policy which is demanded. Even when there is agreement about important economic facts, disagreement will continue about their interpretation and about the policy which is most appropriate for the handling of them.

There can be no argument about some important economic facts of the world's palm-oil industry.² Those men who argued thirty years ago that the oil produced on scientifically-managed plantations would quickly win a dominating position on the world market have been proved right by the event. British West Africa refused to admit the planters: they went elsewhere and established the industry in competing countries. The Belgian Congo in 1911 granted to Lever Brothers privileges which Nigeria and Sierra Leone refused. The Huileries du Congo Belge, a company under Levers' control, secured the right to lease an area of 750,000 hectares, and to obtain freehold title within this area in proportion to the developmental work which it accomplished. Thirty-five other companies subsequently secured similar privileges, though the scale of operation of all these companies added together was considerably smaller than that of the Levers' organization. Thus the planters' frontier which was held back by

¹ The quotations are from the Memo. of 21st March 1926 cited above.

² This industry cannot be properly understood unless it is studied in relation to the other supplies of oils and fats. The subject is dealt with briefly in Appendix A.

political decision in West Africa found room for expansion farther south. The following figures give some idea of the results achieved:

Exports of Palm-kernels from the Belgian Congo

(in 000's of metric tons)

<i>1909-13</i> <i>(yearly average)</i>	<i>1924-8</i> <i>(yearly average)</i>	<i>1930</i>	<i>1936</i>
6.5	67.7	66.4	92.3

Exports of Palm-oil from the Belgian Congo

(in metric tons)

<i>1909-13</i> <i>(yearly average)</i>	<i>1924-8</i> <i>(yearly average)</i>	<i>1930</i>	<i>1936</i>
2,099	19,199	36,970	59,959

In the period 1924-8 the export both of oil and of kernels from the Belgian Congo was ten times the amount which it had been in the period 1909-14: during the following eight years the export of kernels increased by one-third, and the export of oil increased threefold. Nigeria's rate of progress was sensationally slower: throughout the whole period 1909-36 her exports of palm-oil just managed to double themselves, and her exports of palm-kernels did only a little better.¹

It was not, however, in the Belgian Congo that the plantation method achieved its most sensational triumphs. It was from Asia, not from a neighbouring African territory, that the producers of Nigeria had to fear the most menacing rivalry. Once again, the year 1911 was significant. In 1911 private enterprise first attempted the scientific

1

Exports of Palm-kernels from Nigeria

(in 000's of metric tons)

<i>1909-13</i> <i>(yearly average)</i>	<i>1936</i>
176.3	390.8

Exports of Palm-oil from Nigeria

(in metric tons)

<i>1909-13</i> <i>(yearly average)</i>	<i>1936</i>
81,900	163,719

cultivation of *Elaeis guineensis* in the Deli Residency of Sumatra.¹ By 1936 the position in Sumatra was as follows:

Number of plantations		Number of hectares under oil palm	
Total	In bearing	Planted	In bearing
51	37	68,430	36,322

The acreage planted may seem comparatively small; but the high yield which plantation methods secured had already put Netherlands India in front of Nigeria as an exporter of palm-oil.² It was only as an exporter of palm-kernels (which in the Deli fruit are very small, and are moreover less heavily penalized by primitive methods of plant selection, cultivation, and extraction) that Nigeria retained her primacy. The following figures summarize the position:

Exports of Palm-kernels

(in 000's of metric tons)

	1909-13 (yearly average)	1924-8 (yearly average)	1930	1936
Netherlands India	Nil	2.9	9.6	36.8
Nigeria	176.3	249.1	262.8	390.8

Exports of Palm-oil

(in metric tons)

	1909-13 (yearly average)	1924-8 (yearly average)	1930	1936
Netherlands India	Nil	25,260	49,342	172,396
Nigeria	81,900	128,136	136,756	163,714

Once again, it is the rate of progress secured by plantation methods which is significant. In 1923 Sumatra was exporting only 3,000 tons of palm-oil—about one-fortieth of Nigeria's export. By 1936 Sumatra was exporting 172,396 tons of palm-oil, and had already exceeded Nigeria's export.

British Malaya was following where Sumatra had led. It was not until 1917 that private enterprise established the first plantations in this territory.³ By 1932 there existed 32 estates with 63,646 acres

¹ The first plants of *Elaeis* had been brought to Batavia, from Mauritius, in 1848: until 1911 they were valued merely as an ornamental tree.

² Cf. the production from plantations in British India, discussed by Fay, *op. cit.*, p. 117: 'The value of their crops is out of all proportion to their acreage.'

³ See B. Bunting, G. D. V. George, and J. N. Milsum, *The Oil Palm in Malaya* (Malayan Planting Manual No. 1, 1934). The first seed was brought from Kew in 1875: until 1911 the tree was ornamental.

already planted and 47,021 acres in reserve. In the same year the exports of palm-oil and palm-kernels were worth more than £1,500,000. In 1936 the tonnage of exports was as follows:

<i>Palm-kernels (in 000's of metric tons)</i>	. . . . .	5.0
<i>Palm-oil (in metric tons)</i>	. . . . .	29,228

In 1936 a very large percentage of the planted area was not yet in bearing; but the time was rapidly approaching when the groves of British Malaya would greatly reinforce the supremacy in the palm-oil trade which Sumatra was already wresting from Africa for the benefit of Asia. Asia's share of the trade, which before 1914 had been nil, was in 1924 about one-tenth, and in 1934 approaching one-half. There is, however, a certain unreality in looking upon this episode in economic history as a contest between Africa and Asia. It is rather a contest between techniques—the technique of scientific cultivation and processing on the one hand, the technique of a casual and primitive forest exploitation on the other hand. The new scientific technique had established itself in the Belgian Congo; and plantation efficiency in Africa, as well as plantation efficiency in Asia, was threatening the future of the African territories and populations which clung to the old methods. The following table illustrates the urgency of the threat:¹

World Exports of Palm-oil in 1923 and 1937

	<i>Exports in 1923 (thousand tons)</i>	<i>Exports in 1937 (thousand tons)</i>
<i>Non-plantation countries:</i>		
Nigeria	128	146
Sierra Leone	3	2
Gold Coast	1	1
French West Africa	34	39
Others.	2	3
Total non-plantation countries	168	191
<i>Plantation countries:</i>		
Netherlands East Indies	7	194
Malaya	(less than 1,000 tons)	43
Belgian Congo	16	68
Total plantation countries	23	305
Total plantation and non-plantation countries	191	496

¹ This table is taken from the unpublished paper by Professor T. M. Knox, referred to above, p. 188, n. 3. All other figures and tables which are quoted in the preceding paragraphs are taken from a publication of the international Institute of Agriculture, *Oils and Fats: Production and International Trade* (Rome, 1939).

It is impossible to study such figures as the foregoing without calling to mind the history of the rubber and quinine industries. These industries used also to depend on produce collected by primitive methods from the wild forest. By a natural and necessary evolution the plantation method has entirely superseded the wasteful and inefficient forest-exploitation of the early days. Supposing this history is now repeating itself at the expense of British West Africa? Let us look at the picture of ruin which the champions of plantation methods paint. For south-eastern Nigeria, particularly, it is grim. The population there is dense, and the land poor. Palm-oil and palm-kernels are the only cash crop: no alternative has as yet been discovered.¹ Without a cash crop the population cannot maintain itself. Its own food-producing resources are in many districts exploited already up to the maximum yields of which the traditional agricultural method is capable. The collapse of export markets would threaten a social collapse. And how could the Nigerian government take effective remedial action? Its own resources would be most seriously curtailed; for it has been accustomed to depend upon the trade in palm products as the chief source of Nigeria's taxable wealth. Can it continue to resist the planters' frontier under the plea of its 'trusteeship'? The defence of Native landownership will be an empty achievement if the Natives can no longer get a living from their land. May not a future historian say of the men who clung obstinately to this abstract and negative principle—'They created a desert, and called it trusteeship'?

There is, however, another side to the picture. The West African governments have to take account both of non-economic facts, and also of economic facts which do not find mention in the argument for a plantation policy. The governments declare that they could not accept this policy without disturbing profoundly the foundations of Native consent and goodwill upon which men like Lord Lugard have based the whole structure of British rule. There never has been any doubt about the Native attitude to the plantation propaganda: it has been without any qualification suspicious and hostile. This suspicion and hostility are not unreasoning. The case for plantations is concentrated altogether upon one industry, that of palm products, and is concentrated chiefly upon one district, that of south-eastern Nigeria. Because the population of south-eastern Nigeria is congested, the plantation interests say, it cannot afford to lose its commercial income. This is true, but it is the income of the *Natives*

¹ Rubber will grow well in many parts of the Eastern Provinces, but the administration cannot encourage it because of the restriction scheme. See p. 239 below.

which must be safeguarded. If they are already suffering from the competition of planters outside Nigeria, how can it help them to introduce the same competition into the very bosom of Nigeria? Palm plantations do not demand a large labour force. What will the Nigerian peasants do if the planters take their export trade and perhaps invade the home trade also? And where will the profits go? How much of them will go to the people of Nigeria? How much of them will go to British shareholders and directors?¹ Finally, what guarantee is there that the plantation system will develop qualities of endurance comparable with its short-term competitive force? There exist in the tropical world to-day many industries and many territories which once supported a flourishing planter aristocracy and an army of labourers. To-day many of the planters are bankrupt and many of the labourers are unemployed. And there is no living society which can reabsorb and heal the classes which have suffered economic hurt. A plantation-system is not a society; it is an economic agglomeration created for the pursuit of profit. It substitutes itself for those primitive societies which in sickness and health sustain their members. What happens when profit fails? West Africa and the New World have been traditionally connected in history: the British rulers who to-day are responsible for West Africa's well-being cannot be deaf to the 'warning from the West Indies'.²

The familiar arguments for and against the admission into West Africa of the plantation system have now been stated. They seem to end in a flat contradiction between the demands of progress—or short term progress, at least—and security. It looks like stalemate. But is it altogether impossible to combine the two elements—Native ownership on the one side, scientific agriculture on the other—which have been presented in the controversy as irreconcilable opposites? British policy is attempting to reconcile the opposites. It has summoned agricultural research and education to the task of achieving a synthesis. The successes and failures of this policy will be examined later on.³

There are some other elements in the situation which will demand

¹ Not until 1939 was there any taxation of company incomes in Nigeria. During the period of its charter the Royal Niger Company had to bear the expenses of administration: for these it was compensated when the charter was surrendered. For the next four decades trading companies were not taxed in West Africa, but only in Great Britain: this put upon the Nigerian people the whole cost of administration, and denied to the Nigerian government part of the income from trade which in equity would seem to belong to it.

² *Warning from the West Indies* is the title of a book by Professor W. M. Macmillan (Faber, 1936).

³ See below, sec. iv.

further examination. The plantation controversy has been confined to the palm industry: in the other West African staples the comparative efficiency of peasant methods has not been seriously challenged. Moreover, the palm industry itself, under peasant methods, has one source of strength which was not present in the rubber or quinine industries, with which it is often compared. Palm-oil is an important local foodstuff. For this reason the local industry will not die, even if the export trade should be lost. And, so long as it remains in existence to supply the local demand, it will always be ready to jump again into the export trade when competition slackens or the price inducement improves.¹ Moreover, the development of communications, and the improvement of the efficiency and income of West African producers outside the palm belt, will offer to the producers inside it the opportunities of large expansion in the local market. This is a consideration of great importance.

There is still another important consideration. Side by side with the controversy about the relative methods of the plantation and peasant systems, there has been a debate about the comparative advantages of an agricultural system organized for export and a less specialized system, which will be more largely concerned with satisfying local needs. In the last ten years the second system has come increasingly into favour. Communities which have depended for a great part of their income on the produce markets of the world have been forced to submit to violent fluctuations in their standard of living: they have also had to reckon with a steady downward tendency. It may well be that the real 'warning from the West Indies' is the danger of trusting too much to export crops, rather than the danger of trusting too much to plantations. The ruinous effects of a collapse in prices sometimes fall just as heavily on exporting peasants as on exporting planters; in a peasant community the shock may actually be felt more quickly, because there is no planter class to be ruined first. So long, therefore, as the downward trend of prices persists, a peasant community will be in a stronger position only in so far as it is less specialized in production for export.

These reflections are put forward tentatively: they will be pursued farther in a later section of this chapter.

¹ In 1938-9, when the average Lagos price for soft palm-oil fell to £5. 18s. 9d. per ton, Nigeria exported 123,000 tons: in 1939-40 the export rose to 158,000 tons, though the average price was only slightly higher (£5. 19s. 3d.). In this respect the palm-oil industry resembles cotton: there is also probably a similar correlation between reduced export price and increased home consumption.

III

PRODUCERS AND TRADERS

The decision to refuse admission to planters has meant that the trade in palm products (like the trade in ground-nuts and cocoa and cotton and other products which proved unsuitable for the plantation method) is a business of economic collaboration between European buyers and a host of small Native producers. This kind of business has special problems and peculiarities. The present section will attempt to make them intelligible by an historical and comparative study of the various commodities. Traders and officials and even commissions of inquiry have often made mistakes or missed opportunities through excessive preoccupation with a particular trade at a particular time.

A wide view will correct some mistakes of judgement. It will also correct some mistakes of temper. The parties to commercial transactions in West Africa suffer too often from indignation. This is a tiring affliction unsuited to the climate and out of tune with the comedy and good nature which West Africa offers so bounteously for the relief of jangled nerves. There would be less indignation to-day if there were a truer understanding of yesterday.

The record of British commerce with West Africa during the past hundred years reveals a continuous conflict between the opposite tendencies of fierce individualism and ambitious combination. A diligent historian with leisure to study the commercial records would be able to plot a novel kind of trade cycle. Rugged individualism causes heavy casualties and losses among the competing firms. They lick their wounds, they seek respite from the battle, they join with each other in amalgamations or price agreements. But the amalgamations are never complete, the agreements are disregarded. There is disloyalty within and new competition from without. 'Insane competition', 'cut-throat competition'¹ (so the traders to-day describe the affliction which vexes them as it vexed their predecessors) breaks out once again. Old competitors and new ones join in the *mêlée*, hammering away at each other until by common consent the time is ripe for attempting once more to patch up a united front.

What is the explanation of these vicissitudes of trade? In part, as has been seen already, the explanation is political. Trade demands the shelter of a *pax*, and the British government refused for long to provide the shelter: the trading companies which had to pay for it were bound to resist the competition of interlopers who did not have

¹ *Report of the Commission on the Marketing of West African Cocoa* [hereafter to be cited as the Nowell Report], Cmd. 5845 of 1938, pp. 100 ff.

to carry the heavy costs of administration and defence. This cause of tension between monopoly and individualism endured until the end of the nineteenth century. But it passed away when the imperial government took upon its own shoulders the burden of defence and administration which the Royal Niger Company had carried. Under the impartial shelter of the *pax Britannica* no trading house or company has to carry political costs. Yet the cycle still continues its familiar gyrations. 'Insane competition' produces a combination which after a time dissolves again into 'cut-throat competition'. The habits formed in an earlier age may in part explain this persistent occurrence. But they cannot explain it wholly. There must be strictly economic causes.

Some of these economic causes are not peculiar to the West African trade. Academic economic theory is at last beginning to envisage imperfect competition as a 'normal' occurrence. Economic theory (like every other kind of scientific theory) is abstract: it deals with forms of occurrence and behaviour, not with the full content. Economic theory in the nineteenth century reasoned about the forms of occurrence and behaviour in a society where individuals were competing freely in buying and selling. This was taken to be the 'normal' society, and it bore a reasonably close resemblance to the actual society of nineteenth-century Britain. But it did not very closely resemble other societies in the nineteenth century, or British society in other centuries. It does not very closely resemble any society which exists in the world to-day. The attempt to construct a different norm, envisaging a society where competition is imperfect, represents a difficult task of abstract thinking: at the same time it facilitates a more understanding view of actual occurrences. The spectacle of combination in restraint of trade is to-day a familiar one: it need no longer awaken exaggerated surprise or call forth an elaborate search for special causes. A generation which has freed itself from the bias of nineteenth-century theory can attain a clearer understanding of nineteenth-century history. The economic freedom which nineteenth-century liberalism postulated was not merely freedom to compete; it included freedom to organize for the elimination of competition. Its aim was profit, and monopoly is often more profitable than competition. Free competition therefore became, not infrequently, 'a contest in the establishment of monopoly'.¹ The teachings of economic liberalism assumed

¹ Knight, *The Ethics of Competition* (Allen & Unwin, 1935), p. 292. The author proceeds to show how these tendencies operated to produce gross inequality and to close the 'career open to talents', thereby undermining the ethical foundations of classical liberalism as a gospel of human freedom (*ibid.*, pp. 225-36, 290-2).

that price was determined by the activities of a host of independent buyers and sellers meeting each other in the higgling of the market. In despite of this teaching, price became increasingly a matter of policy determined by large combinations. Economic liberalism failed to reckon with this change: it had nevertheless prepared it.

Seen from this point of view the tension between competition and combination which is so marked a feature of the West African trade becomes more intelligible. It does not, however, become completely intelligible. The tendency towards combination appeared earlier and operated far more strongly in the mercantile community of West Africa than it did in other mercantile communities which have been studied in this book—in Canada, for instance, or in Australia and New Zealand.¹ There must therefore be some special features of the West African trade to explain the difference.

The most obvious special feature is the unhealthy climate. It was not until the latter half of the nineteenth century that the medicinal use of quinine was properly understood, and it was not until the very end of the century that Sir Ronald Ross published his discoveries about the transmission of malaria. Until then West Africa was truly the white man's grave. The death-rate among Europeans imposed an unusually heavy economic cost upon commerce. Even to-day the precautions which are necessary to keep the white man healthy and efficient—the expenditure on housing and recreation and leave—² represent a heavy overhead charge. Other heavy overhead charges arise from the cultural immaturity of the indigenous society. There is as yet no escape from the necessity of maintaining European supervision on a large scale: British firms are compelled to keep in West Africa staffs which are much larger, proportionately to the turnover, than the staffs they have to keep (let us say) in New Zealand or Argentina or China. Another factor is prestige. 'All Europeans in this country', an Englishman wrote in 1778 from the Gold Coast, 'are respected according to the extent of their trade.'³ This judgement may not be true to-day: possibly it was not true in the eighteenth century. But the majority of traders have always believed it to be true. Whether or not they have the turnover to justify it, they try to maintain an impressive organization—sometimes a more impressive organization than they can afford.

These special West African conditions are not all of equal regularity

¹ See above, vol. ii, part i, ch. iii.

² See *Gold Coast Colony. Report of the Medical Department for the year 1938*, p. 4. The number of Europeans invalided home reached a record figure in 1938; nervous strain owing to the increased volume and complexity of work is considered the chief cause.

³ Martin, *op. cit.*, p. 40.

and importance, but all of them point to the same conclusion. The overhead costs of the West African trade are abnormally high. The burden of these costs compels the trading firms to struggle for the compensation of a high turnover.¹ European traders on the West Coast have always been 'tonnage-hunters'.² But tonnage-hunting is itself a costly and risky business. The harvest and marketing seasons for some of the principal crops (ground-nuts and cocoa, for example) are comparatively short, with the result that buyers rush their business for fear that the purchases made by their competitors will leave them short. Still more important is the fragmentation and dispersal of the local market. If a plantation economy had been established in West Africa, there would have been an easy and regular flow of products from compact and well-organized areas of production. As things are, production—whether of palm-oil or ground-nuts or cocoa—is the task of hundreds of thousands of small producers, most of them subsistence farmers who handle the cash crop as a part-time occupation. It is a formidable task to bring the season's production to market and to port. Since the pacification of the interior and the opening of river and rail and road transport, European firms have been able to establish buying-stations up-country. These buying-stations are themselves a heavy overhead expense. Even so, they do not bring the European firms into touch with the great mass of producers. There are scores of thousands of sellers who are unable or unwilling to bring their produce to the buying-stations. The firms are therefore compelled to employ African middlemen, who in their turn employ smaller middlemen. So at last the buyer arrives on the seller's door-step. But the middlemen and sub-middlemen do not ordinarily possess the capital which is necessary to finance their purchases. The firms are therefore compelled to make advances of capital. These advances are not always recovered; whether or not they are recovered, they are always a source of anxiety to the men who have made them. The records of

¹ The manager of the United Africa Company in Lagos has given me the following 'typical examples' of produce overheads in the Lagos area:

Station 'A'. Total overhead cost of buying per ton per year, 19s. 7d. Varying from 7s. 7d. in one month when purchases were 1,501 tons to 32s. 7d. when purchases were 322 tons.

Station 'B'. Average cost of buying for the year, 16s. 10d. Varying from 8s. 1d. in one month when 507 tons were bought to 37s. 1d. when 123 tons were bought.

Station 'C'. Average cost of buying for the year, 16s. 10d. Varying from 5s. 4d. in one month when 4,165 tons were bought to 31s. 5d. when only 481 tons were bought.

Station 'D'. Average cost of buying for the year, per ton 8s. 6d. Varying from 5s. 6d. when 1,413 tons were bought to 17s. 3d. when 327 tons were bought.

² The French and Germans use the same expression: *abbateurs de tonnage*; *Tonnage-jäger*.

West African commerce for more than a hundred years are full of complaints against the middleman-and-advances system. Yet it has been inevitable. Mary Kingsley recognized the middleman's hut-ripper as 'the first stage of the export trade'. She declared herself willing to 'sing a paean to a very unpopular class—the middleman as he exists on the West Coast'.¹ But the white traders have never sung this paean of praise. The middleman class has helped the trading community to satisfy Europe's demand for African produce; but in their dealings with the middlemen the traders have been continuously afflicted with uncertainty, anxiety, and often actual loss.

Trade of this kind is no doubt exciting, but it can also be trying to the nerves. It becomes a fiercely competitive contest. The participators employ against each other every conceivable trick of competition. But sometimes they lose the zest for battle, as they ponder over the casualty list of commerce and wonder when their name will figure on it. 'The want of unanimity', a West Coast trader declared in 1842, 'is the great difficulty of our trade.'² Ever since then the traders have made recurrent spasms of effort to overcome this difficulty by agreements and combinations.

It is now time to add a little detail to this general sketch of the problems of West African commerce. Many of these problems, no doubt, have an ancestry which goes right back to the slave-trading days. There were great slaving firms, like Baker & Dawson, or William James of Liverpool, which had grown by engulfing unfortunate competitors. There were African middlemen—the 'jonces' and the 'slatees'—who received advances of goods and went with them into the interior to bargain with the slave-raiding chiefs. Unfortunately the commercial organization of the slave trade on the West Coast has never been made the subject of systematic research. The palm-oil trade has been more closely studied.³ Some of its features varied according to locality: along the comparatively healthy Gold Coast it possessed permanent local head-quarters in the castles, but in the unhealthy bights it achieved a quasi-permanence only in the eighteen-fifties, when depots were established in hulks moored at the river mouths. The interior organization of the trade was generally uniform in all localities. The coastal chiefs and tribes who took tribute on the transit of goods and flourished on middleman profits opposed the penetration of European traders inland and the passage

¹ Kingsley, *Travels*, p. 247.

² *Select Committee in Slave Trade 1842, Final Report*, Q. 1411–13. The proposal was that merchants should combine to deliver goods to middlemen only on receipt of the consignments of palm-oil.

³ See note on p. 156 above.

of Native traders from the interior to the coast.¹ The white traders made advances of goods to the coastal middlemen. These middlemen went to the markets and fairs of the interior, where they exchanged the goods for currency, usually cowrie currency.² With this currency they bought oil from the forest villagers. On their return to the coast they adjusted accounts with their creditors on a barter basis. The 'bars', 'ackees', 'coppers', 'manillas', or 'crews' which figure in the commercial records were measures for valuing trade goods and palm-oil; they were not a circulating medium.³

Many of the more primitive features of the palm-oil trade passed away towards the end of the nineteenth century. A *pax* upheld by governmental power put an end to monopolistic obstruction by the coastal tribes and made it possible for the firms to establish branches inland. A currency linked to sterling took the place of cowrie currency, even in remote forest villages. But this progress, important though it was, could not alter the basic economic facts which were a consequence of the persisting social order. Production still remained dispersed in innumerable small family units: as a result buyers were forced to persist in the old methods of seeking out the product. They could not dispense with Native intermediaries. They could not free themselves from the heavy burden of overhead costs. They still competed fiercely with each other for turnover; they still sought periodical respite from the strain of their competition. From the period of the eighteen-fifties, when steam navigation admitted large numbers of small traders to compete with the well-established merchant shippers, the rival forces of individualism and combination

¹ This conflict of interest between coastal and interior tribes largely explains the Ashanti wars and the Egba-Ibadan wars of the eighteen-sixties: it also explains the hostility of the men of Brass to the Niger Company, and the career of Ja Ja of Opopo.

² It is well established by evidence from consular reports and from individual memoirs that the coastal trade between Europeans and Native middlemen was on a barter basis and that the interior trade at fairs and markets was on a currency basis. On the cowrie currency, see R. F. Burton, *Wanderings in West Africa* (London, 1853), vol. ii, pp. 40-5.

40 cowries	= 1 string	= $\frac{1}{4}d.$ to $1d.$
5 strings	= 1 bunch	= $3d.$ to $6d.$
10 bunches	= 1 head	= $1s. 9\frac{1}{2}d.$ to $2s.$
10 heads	= 1 bag	= $18s.$ or 4 dollars.

It is obvious that the currency system alone would have prevented the white man from handling the village trade: only African middlemen could perform the task of bargaining with a bulky currency for innumerable small quantities of oil.

³ *Select Committee on the Slave Trade, Final Report, 1848*, Q. 2612 (Wm. Hutton). 'Although it is a barter trade, yet the price of the palm oil on the one hand and the price of the British goods on the other hand blend to meet in a denomination which the black man understands . . . in buying the African produce a man estimates his palm oil at so many ackees or bars, and you are to pay him that number of ackees or bars in certain goods. . . .'

have right up to the present time been continuously in tension. Between 1860 and 1890 there was a long series of imposing amalgamations: the West Africa Company, the Central African Company, the United Africa Company, the National African Company, the Royal Niger Company, the African Association. But none of these amalgamations covered the whole field of competition. There were always some firms which clung to their independence. Even the firms which had joined forces frequently behaved as if they were still independent: old rivals could not get used to the idea that they were now members of the same concern, and continued to undercut each other or compete for the services of the smartest middlemen. Tonnage-hunting had become second nature to them. In the course of time, no doubt, some of the old rivalries were forgotten. The new combinations gradually built up their *esprit de corps* and achieved successes in stabilizing prices and easing the pressure of competition. But the successes were partial and temporary. The new combinations provoked new competition—the competition of established firms which extended their business in order to profit from the improved prices,¹ or the competition of new businesses which the same improvement attracted into the trade. If West African commerce is a record of imperfect competition, it is also a record of imperfect monopoly.

It will become apparent later on that the same oscillation between competition and combination persists in many trades even to-day. However, the forces of combination have undoubtedly become much stronger since the war of 1914–18. In the year 1919 some old-established firms like Miller Bros. and F. and A. Swanzy combined with the African Association to form the African and Eastern Trade Company, with an authorized capital of £10,000,000 and an issued capital of approximately £6,500,000. In the following year there occurred an amalgamation of a different sort; Lever Bros., which hitherto had possessed no direct trading interests in British West Africa, paid £8,500,000 in purchase of the assets of the Niger Company.² An attempt to bring the African and Eastern Trade Company into the same combination just missed success. But success came nine years later. In 1929 the Niger Company and the African and Eastern merged their interests. This great amalgamation is called

¹ Note, e.g., the curiously persistent westward movement of John Holt Ltd., a firm which was originally established in the island of Fernando Po, has long been important in Nigeria, and has in recent years firmly established itself in the Gold Coast.

² Patric Fitzgerald, *Industrial Combination in England* (London, 1927), p. 68. The shares were bought at a premium of 550 per cent.: they contributed nothing to the revenue of Lever Bros., and were written off in 1921.

The United Africa Company. It is the commercial colossus of West Africa;¹ yet it is only a subsidiary—no doubt a very important subsidiary—of Unilevers. The combinations which impinge upon the lives of African producers are not African combinations merely; they embrace many territories, and many commodities. It would be out of place here to mark the stages by which the firm of Lever Bros. established its dominance over the British soap industry, and thereafter extended the sphere of its operations throughout all the industries based upon oils and fats—and some others besides. Nor is this the place to examine in detail the impressive Unilever alliance which in 1929 united the two mighty oil-and-fat dynasties of Great Britain and Holland. It is, however, necessary to insist that these happenings in a wider world had very great significance for West Africa because of their effect upon the structure of the market to which West Africa is joined. This subject has never been systematically studied. But an exact understanding of it is surely an essential preparation for that positive economic policy towards which the British administrations in West Africa, as will appear later, have begun to move.²

In the period under review the amalgamation of commercial interests in British West Africa, extensive though it was, failed to cover the whole field.³ Competition still persisted, and the competing

¹ 'United Africa is the keystone of the produce companies.' *Economist*, 19th March 1938, vol. cxxx, p. 638.

² A short introduction to the history of Lever Bros. and Unilevers can be found in Fitzgerald, *op. cit.*, ch. v.: see also the *Economist* (consult index, esp. for the years 1929, 1935, 1937, 1938). What is lacking so far is a study of the relation between Unilevers, other great purchasing firms, and the market for oils and fats. The West African governments need exact knowledge for two reasons: (1) because the external market is a most important element in the economic background to internal policy; (2) because it is psychologically an important factor. African opinion assumes that unsatisfactory movements in the market for vegetable oils are not the outcome of real supply and demand factors, but are deliberately produced to serve the interests of the large combines—by which they mean The United Africa Company and Unilevers. The same assumption was made about the price of cocoa, but it was not supported by the investigation of the Nowell Commission (see below, p. 213). If the situation in the vegetable oils market corresponds with that in the cocoa market, it is to the interest of the commercial combinations themselves that there should be a similar investigation. *Omne ignotum pro terribile*: if the suspicions against them are unfounded, they can only be dispelled by publication of the facts. Whatever the results of the investigation, the governments should know the facts. But is the appointment of *ad hoc* commissions a sufficient method of eliciting the facts, in this and in other trades? Surely, a persistent and steady work of investigation should be always proceeding, both at the Colonial Office and in the Dependencies. Economic policy is a continuous activity and needs to be supported by continuous study.

³ The present war is naturally favouring the further extension of combination through the elimination of foreign firms: the most notable war casualty in Nigeria is the firm of Gottschalk.

parties, though reduced in number, still harried their rivals—and themselves—with the same weapons. From time to time they still sought respite from the costly and wearing struggle. They tried to restrict the excesses of commercial warfare by trade-practices agreements. The agreements were not kept. They entered into price agreements with each other. These did not end the competition for tonnage.¹ They made price-and-tonnage agreements, binding themselves to return into a 'pool' for redistribution any purchases in excess of the quotas which they allocated to each other on the basis of their past performances. These agreements held out larger prospects of success. The latest agreement on this model in the palm products trade has secured for the firms an unusually long period of quiet.² But there are other trades in which all the old difficulties have persisted in an aggravated form right up to the present. Two of these trades, those of cocoa and ground-nuts, will now be examined at some length.

It might have been expected that the cocoa trade would be free from the worst embarrassments and irritations of West African commerce, for it is a comparatively modern trade;³ it has had the chance of making a fresh start in an age of orderly administration, and within an area which is comparatively compact (as West African distances go) and well supplied with communications. Nevertheless,

¹ Since the trade is a two-way business, and the profit (as the firms often point out) may be on the sale of imported goods rather than on the purchase of produce, it may well be to the interest—or seem to be to the interest—of a firm or manager to incur a loss through tonnage-hunting for the sake of the return business in cottons, salt, tobacco, utensils, &c.

² To construct an accurate chronology of all the agreements in this trade, and to describe the special characteristics of each one, would be a difficult and meticulous task. Published material is scanty, unpublished material is fragmentary and difficult of access; the memories of participants are clouded and often at variance one with another. It would, however, appear that agreements of varying kinds and varying duration were made or patched up or extended in the following years: 1889, 1913, 1924, 1932, 1935. This tentative chronology must not be thought complete.

<i>Quinquennial period</i>	<i>Annual average export of Cocoa</i>	
	<i>Gold Coast</i>	<i>Nigeria</i>
	Tons	Tons
1892-6	12	32
1897-1901	329	144
1902-6	4,711	462
1907-11	20,934	2,375
1912-16	58,306	6,002
1917-21	118,290	17,294
1922-6	205,858	37,017
1927-31	225,732	49,749
1932-6	256,033	75,690

all the problems which vexed the earlier palm-oil trade have vexed the cocoa trade also: they have been particularly acute during the past decade, when the price-and-tonnage agreements in the palm-products business have been working with an unusual degree of smoothness.

The Royal Commission which investigated the 'cocoa hold-up' of 1937 has fully described the organization of the trade. It reported that 98 per cent. of the trade was in the hands of 13 European firms, which between them maintained about 130 buying-stations under European agents and a much larger number of stations operated by Africans. The small remnant of the trade was in the hands of a few Syrians or Africans, operating independently and intermittently. Of the European firms two were new-comers to the cocoa business of the Gold Coast, though they had long since been established elsewhere in Africa. Three of the firms, exporting between them rather more than a fifth of the Gold Coast crop, were British manufacturers. The rest—chief among them The United Africa Company—were merchant firms engaged in a two-way business, selling as well as buying.¹

These firms, or their predecessors, had always fought a fierce competitive battle for tonnage, except during short periods of uneasy truce. There were 'cease fire' agreements of one kind or another in 1903 and the following years, in 1925-7, in 1930-1, in 1937-8. The men who made the agreements had little faith in their durability. They regarded them as 'breathing spaces' between bouts of fierce competition, which would be bound to re-establish itself in the future as it had always done in the past.² Yet, when competition did re-establish itself, its evils compelled them once again to make an effort of escape. The effort which they made in 1937 was a particularly determined one.

What are the evils of competition? They are the same evils which harassed European traders long before a single cocoa pod had been plucked from any West African tree. The chief complaint of the cocoa-buying firms to-day is still against the middleman system. In the Gold Coast the middlemen are commonly called brokers, or (if they are smaller men not in direct touch with the firms) sub-brokers; at a rough estimate there are in the Gold Coast alone about 1,500 of the former and 37,000 of the latter.³ The middleman class is not homogeneous, and no scheme of classification can include all its variations. One can consider the class by working from the smallest

¹ Cmd. 5845 of 1938 (Nowell Commission), ch. iv and Appendix D.

² *Ibid.*, para. 158.

³ *Ibid.*, para. 92.

middlemen to the largest: thus in Nigeria one would start with the 'pan buyers' or 'basket buyers' who collect small quantities of cocoa in kerosene tins and other receptacles, buying by measure and not by weight. These 'pan buyers' (who as often as not are Yoruba women touring the country-side as pedlars) sell their cocoa to 'scalemen', who buy bigger quantities by weight and are established in most of the native markets. The scalemen dispose of the cocoa to African buyers in a larger way of business: eventually it finds its way to the European firms, sometimes already prepared for export, more frequently not. This classification by size does not include all the types and degrees of middlemen. Classification by status may be attempted, but it will not easily cover all the types, nor will it clearly and definitely distinguish where one type merges into another. Some of the so-called middlemen are merely salaried servants of the firms. At the other extreme are the 'free sellers' of the Gold Coast, who buy on their own capital and sell according to their own judgement and choice. Between these two extremes there are many permutations and combinations signalized by commissions, salaries, allowances, retaining fees, and so on.¹ In general it may be concluded that the middleman class as a whole enjoys considerable freedom to do its business as it likes: even the middlemen who receive a salary possess a large measure of *de facto* independence.

The great majority of this large class of African business men operate with advances of money received directly or indirectly from the firms. The European agent makes an advance to the broker: he in turn makes advances to his sub-brokers, who in their turn make advances to the farmers. It is against this system that the European cocoa-buyers (like the palm-oil buyers of the nineteenth century) most bitterly inveigh and most desperately rebel. They accuse the middlemen of persistent and deliberate dishonesty in manipulating the system. Opportunities for dishonest manipulation, they say, occur in the following manner. The head offices of the firms in Great Britain cable to West Africa the 'buying limits' within which their agents may purchase cocoa: these limits are necessarily changed from time to time in accordance with the movement of world prices and general business prospects. When the West Coast agent is instructed to change the buying limit, he must at once inform his brokers and call them to declare the stocks which they have bought at the previously ruling price. If the market is rising, the firms will gain if large stocks have been bought: if the market is falling, it is to their interest that the stocks already purchased should be small. But the

¹ *Ibid.*, paras. 101-4.

interest of the brokers is the exact contrary. It will pay them, if prices are rising, to pretend that their purchases are smaller than the ones they have actually made; for in this way they will be able to divert to themselves a profit which should properly go to the firms. The firms accuse them of holding stocks on a rising market until there is a break in price: then they declare their accumulated holdings at the top of the price. As a result the firms are short of cocoa when they could sell it profitably and are deluged with it when they have to stand the loss of falling prices.

If these allegations are true, cocoa-buying cannot possibly be profitable. The United Africa Company declared before the Nowell Commission that between 1930 and 1937 it lost £1,338,000 in the business. It submitted for the period graphs showing the purchases it had made day by day and the prices it had paid: comparison with world prices ruling on the same days showed that The United Africa Company had overpaid West African sellers to the tune of £350,000. If all the firms had overshot the world price in similar measure, the sellers had received in these seven years £1,000,000 more than was rightfully due to them. This was a figure equal to £1. 6s. per ton. No wonder the firms were driven to combine in their own defence! They declared that their losses had become intolerable. They also argued that it was the middlemen, not the farmers, who raked in the profits of over-payment. The vast company of brokers and sub-brokers maintained themselves, not only by the legitimate and illegitimate money which they made out of the firms, but by the charges which they imposed upon the farmers. Many of them robbed the farmers outright by using false weights and measures.¹ Many of them perverted the advances system into an abuse of usury which brought the farmers into hopeless debt-slavery. It was therefore to the interest both of the African producers and the European traders that the middleman-and-advances system should be liquidated. But this system was rooted in the 'insane competition' which was the curse of the trade. The conclusion of the argument was clear. The 'pool' was justified.

Can the argument be accepted? The Nowell Commission accepted much, but not all, of the evidence which supported it. It refused to put all the blame upon the middlemen. They, too, were the victims of the tonnage-hunting habit: the larger brokers, like the European

¹ On the other hand, there is the practice of adulteration. 'They adulterate every blessed thing', said Mary Kingsley. Pending the reformation of these evils (a reformation which has already made considerable progress) there are the mitigations of the *caveat emptor* rule and a sense of comedy.

firms, had good cause to be anxious about their advances, and suspicious about the declarations of sub-brokers. Moreover, the middlemen professed suspicion of the firms: they accused the European agents of announcing fictitious falls in the market price in order to force them to declare their stocks. This practice, they said, was not merely a trap for the dishonest broker, but a cause of hardship and loss to the honest one.¹ The firms had indeed made it clear in evidence that their own European servants were often blameworthy. The declarations of stocks which they made to their head offices in Great Britain were not always trustworthy. West Coast agents, complained one London witness, 'have at the back of their minds the idea that Head Office can in some mysterious way make money on every ton of cocoa they buy, and that no matter what price is paid Head Office can always find a way of getting out of the cocoa at a profit'. Are we then to conclude that 'Head Office' is the only innocent member of this wicked commercial society, a member always sinned against, never sinning? Surely 'Head Office' must shoulder part of the blame. Surely it has the elementary duty of framing a policy and disciplining the servants who refuse to carry it out.²

Indignation, it was suggested earlier,³ is a fault of temper which occurs too frequently on the West Coast. The collaborators in commerce, white and black, see too easily the mote in their neighbour's eye and ignore the beam in their own. The Nowell Commission showed itself aware of this fault of temper. It refused to heap all the blame upon any single class. But it did condemn the system. It accepted with minor reservations the statements of commercial loss which the firms submitted, and agreed that this loss made a sound merchanting policy wellnigh impossible.⁴ It agreed that the cocoa growers, although they sometimes benefited by a passing on of the brokers' commissions, had not really gained by the excess payments which the buying firms had made. The cost of the middleman system bore heavily upon the producers, not so much because individual middlemen made excess profits, but because there were too many middlemen. In addition, the system by which middlemen made advances to farmers did too easily become a system of usury and debt-slavery.⁵ In short, the Nowell Commission accepted in substance

¹ *Ibid.*, para. 342.

² A very able West Coast manager has in conversation with the author expressed his emphatic opinion that the trade will never be healthy until 'Head Office' has been courageous enough to dismiss senior agents who fail to carry out instructions.

³ See above, p. 201.

⁴ The minor reservations refer to forward buying, holding for a rise, &c.

⁵ The debt situation in a typical cocoa village is analysed below, pp. 278-80.

the first part of the argument submitted by the firms. It agreed that the advances system demanded drastic reformation. It also agreed that this reformation could not be achieved until the root of 'insane competition' had been pulled up.

From the point of view of the firms the obvious way of eliminating 'insane competition' is by combination among themselves. This is their traditional remedy. This is the remedy which the cocoa-buying firms adopted in 1937. But is it appropriate? This question can be divided into two. Is the remedy of a 'pool' in the public interest? Is it truly in the interest of the firms themselves?

Consider the second question first. In answering it there is no need to begin with abstract theory: the record of West African experience is a full one. In giving evidence before the Nowell Commission the European firms denied that they were creating a monopoly, and argued that by raising the prices to world-market level and restoring the just profit of trade they would encourage the entry of new competitors. Precisely! But would not the entry of new competitors break the ring of price-and-tonnage agreement? Would it not start again the old tonnage-hunting rivalries? This had happened again and again in all the produce businesses of West Africa. It was happening in the ground-nut business at the very time when the firms in the cocoa business were forming their 'pool'. It was a pity that these merchants, and the Nowell Commission itself, were so closely preoccupied with the worries of Accra and Ibadan: otherwise they might have learnt useful lessons from happenings at Kano.

Kano is the chief centre of Northern Nigeria's ground-nut trade.¹ In this trade, as in all other West African trades, very small parcels of produce have to be secured for the market from scores of thousands of little farmers dispersed over a wide territory. The co-operation of African middlemen has therefore been no less essential in the ground-nut area than in the palm-oil or the cocoa areas. Like their kind everywhere, these middlemen employ their own salaried servants and also buy produce from smaller middlemen—though the advances pest

¹ Kano to-day handles about two-thirds of the crop: the second important producing and marketing centre is Katsina province. Bornu province is potentially a large producer, but expansion depends on cheaper transport: at present there are two costly outlets to market, by road to the rail-head at Kano or alternatively to the rail-head at Jos. There is also some production in the riverain area; see p. 221 below. The Kano trade started with the railway. Export figures are as follows:

1912-13	.	.	.	.	5,000 tons
1919-20	.	.	.	.	50,000 "
1929-30	.	.	.	.	150,000 "

In the nineteen-thirties there was considerable oscillation, according to seasons and (with a time-lag) to price movements. In 1936-7 there was a phenomenal crop of 333,000 tons, but as a rule the crop remains nearer 150,000 tons than 200,000.

has never reached such dimensions as in the produce businesses of the South, and is now under reasonable control.¹ At one time there were many substantial Hausa merchants in the ground-nut trade. To-day there are very few Hausa middlemen of any substance.² In Northern Nigeria, no less than in the south, the European firms have established their buying-stations in the back-country and thus brought themselves closer to the source of supply. But it is not only European competition which has compelled the Hausa traders to give ground. They have given ground to 'Syrian' competitors.³

The European firms also have given ground before 'Syrian' competition.⁴ This was a force which they never seriously reckoned with until recently. They were sufficiently preoccupied with the rivalries inside their own community. High overhead charges, tonnage-hunting, 'cut-throat competition'—all the usual afflictions of West African commerce—reproduced themselves in the northern markets. The familiar mitigations and remedies also reappeared in the north. Some of the competing firms were absorbed by the amalgamations of 1920 and 1929 into The United Africa Company. But not all of them were absorbed. Independent and fiercely competing businesses still survived.⁵ In the course of time they found the pace of competition too hot. During the 1927-8 season the majority of them formed an agreement: the two French companies, however, still kept aloof. In 1930 the French companies also entered the circle, which from now on seemed to all extents and purposes complete.⁶

¹ This is in part due to the trouble which middlemen experience in recovering debts from the peasant farmers, which in turn is partly due to the action of the Native Administration courts in enforcing the Koranic law against usury.

² The only really substantial Hausa trader to-day is El Hassan dan Tata, who in a normal year buys about 20,000 tons and sells to the exporter who offers the best price. He has outside Kano from 20 to 30 buying-stations—8 of them in government plots for which he has to pay a rent, the rest rent-free in markets under Native Administration control. More typical of the 40-odd Hausa middlemen who still survive is Moman na Gwada: he has 9 buying-posts, 3 of which are in government plots.

³ There are to-day in Kano eight 'Syrian' merchants who ship ground-nuts direct to Europe. Actually the majority of these are Lebanese Catholics, one is a Greek, and another—Mr. S. Raccab, the most important of them all—is by origin a Tripolitan Jew.

⁴ e.g. at the end of the 1920's U.A.C. alone possessed about 80 outstations in the Kano area: at the end of the 1930's it possessed no more than 25. This reduction was in part due to 'Syrian' competition, though internal rationalization following the amalgamation of 1929 was probably a more important cause.

⁵ The European firms established at Kano in the ground-nut trade are: United Africa Co., G. B. Ollivant (now under the control of the former), John Holt, Paterson Zochonis, Tangalakis, London and Kano Trading Co., and two French companies (S.C.O.A. and C.F.A.O.). Before the present war there were also two German companies, G. L. Gaiser and Jaeckel. The Swiss firms of Guedan Frères and Weiberl collapsed in 1936: Gaiser then took over the latter's business.

⁶ Only the London and Kano Co. stood outside. This is a very interesting firm

The agreement was carefully drafted; it stabilized prices and allocated quotas. But though it safeguarded the agreeing parties against each other, it did not safeguard them against the competition of new-comers to the trade. A most formidable competitor soon began to threaten their comfort and security: he was a 'Syrian' named S. Raccah. He had started his career in 1913 as an employee of a Tripolitan firm with agents in Manchester: in 1918 he went into business as an independent middleman. About 1927 he found his business threatened by the policy of the firms in pushing out their buying-stations, and decided that he must either give up competing altogether or extend his competition to the export trade. He began his new venture in the 1927-8 season by exporting 20 tons. The following figures give the measure of his success:

<i>Year</i>	<i>Total from Kano*</i>	<i>Share of S. Raccah†</i>
1928-9	128,000	1,700
1933-4	214,700	42,000
1934-5	158,000	25,000
1935-6	154,000	25,000
1936-7	330,000	32,000
1937-8	153,000	39,000
1938-9	141,000	49,000

* Figures supplied by Kano manager U.A.C. † Figures supplied by Mr. Raccah.

In 1938-9 Mr. Raccah's export amounted to more than a third of the crop and exceeded the export of The United Africa Company. His success broke the 'pool'. The United Africa Company and other firms claimed release from the price-and-tonnage agreement in order that they might be free to fight a price war with Raccah and thereby win back—if they succeeded in the price war—their share of the trade.¹

(it was the only firm to establish itself in Kano before the railway) and enjoys support from a powerful shipping family: this enables it to some extent to stand outside the commercial hurly-burly. It is not, however, deeply implicated in the ground-nut trade.

¹ 'Insane competition' would have been in full swing again had it not been for the outbreak of the European war in September 1939. But then the Ministry of Food in Great Britain established control over the chief West African commodities.

The leading exporters, including Mr. Raccah, were given quotas on the following basis:

United Africa Co..	. . .	47·4 per cent.
Paterson Zochonis	. . .	4·52 "
G. B. Ollivant	. . .	6·52 "
C.F.A.O.	. . .	7·26 "
Tangalakis	. . .	(has left Kano recently)
Raccah	. . .	20·5 per cent.
London and Kano Co.	. . .	7·25 "
S.C.O.A.	. . .	1·08 "

This leaves a small part of the crop for shipment by the small independent 'Syrian'

How are we to explain the success of Mr. Raccah in making such inroads into the business which the European firms had—so they thought—divided so comfortably among themselves? The answer is a simple one: Raccah offered the sellers a better price. How was he able to offer a better price? The answer is again simple: low overhead charges, audacity, and hard work. His working hours during the marketing season were from 5 a.m. to 10 p.m. He employed three competent African clerks: one of them was a very clever individual who had served a term of imprisonment for forgery, but now he earned high wages and worked under the vigilant supervision of an exacting master. Raccah did not have to carry the burden of numerous outstations: he was for the most part content to attract produce to himself through the middleman channel by offering a higher price. He had no home establishment charges: he paid commission to reliable brokers in Europe. He secured from an Italian firm and by charter cheaper shipping rates than the standard conference rates which the European firms had to pay. He trusted his own judgement and was willing to run risks: he did not have to await cabled instructions about 'buying limits'. He was, for all his daring, a sound man in the eyes of the banks: it was not entirely by his own unaided strength that he had built his great business.¹

The story of Mr. Raccah is the story of an exceptional man, but it is not an exceptional story. It is nothing more than an emphatic variation upon the familiar West African theme. In the nineteenth-century palm-oil trade hard-working and venturesome British merchants had time and time again fought the combinations and agreements and struggled upwards from small beginnings to established eminence—when they in their turn began to perceive the virtues of combination.² The same cycle of commercial history had repeated itself continually in the other produce trades. In the cocoa trade the cycle was possibly turning again towards a new period of competition at the very time when the Nowell Commission was investigating the discontents which the 'pool' had provoked.³ Be this as it may, West

exporters, who are now temporary members of the A.W.A.M. but are not at present members of the 'syndicate': i.e. they can pay what price they like. They cannot, however, hope by price-cutting to increase substantially their share of the trade. They cannot do what Raccah had done in previous years. To all intents and purposes competitive buying has been ended by the war control measures.

¹ My account of Mr. Raccah's methods and career is based on notes of conversations which I held with Mr. Raccah himself, the chief European traders of Kano, members of the 'Syrian' community, African middlemen, and administrative officers.

² The firm of Miller Bros. gives a good example of this beginning and development.

³ I do not refer to the influx of small African shippers (called under the present war-time quota arrangements 'B' shippers) which occurred in 1937-8, though the

African traders had the best justification for regarding their buying agreements merely as 'breathing spaces' between bouts of fierce competition. Experience had testified repeatedly to the impermanence of these agreements. We have seen that the cocoa-buying firms themselves, in their evidence to the Nowell Commission, argued that competition was in the nature of things bound to reassert itself. Did they really believe this? If they did, their 'pool' would not cure the evils which afflicted commerce: it would only bring temporary alleviation. 'Imperfect combination' is no cure for the evils of 'insane competition'.

If the foregoing analysis is true, the defensive measures which the European firms favour, their 'pools', are not remedies for the diseases which afflict West African commerce, but only palliatives. They are not really in the interests of the firms themselves. They do not bring relief from the evils of 'insane competition'; they offer nothing more than temporary respite and short breathing-spaces. The firms would nevertheless reply that these breathing-spaces are becoming longer. They would deny that they are unmindful of their past experience; they would argue that they are able to eliminate past errors in the management of their combinations, and thereby secure, at the very least, lengthening periods of stable trade, and the accumulation of 'modest reserves'. One feels, however, that behind this argument there is a great hope rather than a sure and certain faith. The very recent experiences of the firms in the ground-nut trade give no ground for faith. And their testimony before the commission which investigated the cocoa trade suggests that they do not fully trust their

figures illustrate the effect which the stabilization of profitable prices has in stimulating the entry of this class.

Gold Coast

	1932-3	1933-4	1934-5	1935-6	1936-7	1937-8	1938-9
No. of small shippers (Certificate register) .	..	22	25	25	23	114	86
Percentage of export .	4.9	5.5	2.3	1.8	0.6	5.7	9.6

African exporters in cocoa and other crops, though they may have promised well in good times, have so far given scant proof of their willingness and ability to stay the course over a long period. More significant than the increased tonnage shipped by this class between 1937 and 1939 is the rise of A. C. Leventis in the same period. He is an extremely capable specialist in the cotton goods business and has put most of his energy into that, but at the same time he has been mindful of the benefits of a two-way trade and has begun quickly to increase his share of the cocoa business, despite the opposition of established firms. His export in 1937-8 was 0.5 per cent. of the crop: in 1938-9 it was 4.0 per cent. There is every reason to believe that this share would have rapidly grown had it not been for the establishment of the war control scheme.

power 'of themselves to help themselves'. They want the government to help them. They are aware that their measures for the stabilizing of trade are distasteful to important sections of the West African population: they protest that this opposition is unjustified, and believe that the West African administrations should play an active part in educating public opinion in order that it may recognize the advantages of 'pools'. Sometimes they ask for even greater support. An important witness before the Nowell Commission propounded a scheme which would have associated the government with the combining firms. He argued that this association would be a guarantee to African producers that the prices offered for cocoa did genuinely represent the maximum which the world market was able to offer. Certainly, a government representative on the cocoa-buying organization would be in a position to check the prices offered and to veto unfair manipulation, if it were attempted. But the Nowell Commission viewed the proposal in a different light—not the guarantee of actual market-prices to the African producers, but the guarantee of existing export quotas to the established European firms. The commission did not favour such a guarantee. It declared it 'undesirable in principle that definite shares of the cocoa trade should be vested for a long period in particular firms, to the exclusion of effective competition'. It regarded the proposal as an attempt to secure for the firms 'a monopoly backed by statute'. Its own ideas about the proper relation between private enterprise and public authority were very different.¹

¹ The proposal, by Mr. Jasper Knight, for an organization called Cocoa Union Ltd. is summarized in the Nowell Commission report, para. 500. On this organization there would have been minority representation for the government and the African producers: the dominating position would have been held by the five largest exporters, and permanent export quotas would have been guaranteed to the 'established firms'.

I do not propose to traverse the controversy about the part played in 1937 by the Colonial Office and the Gold Coast government: the firms were satisfied with the former, dissatisfied with the latter. One may of course agree that a policy of 'neutrality' is inadequate, without favouring the particular kind of intervention which is demanded.

Some reference is due to the situation which followed the outbreak of war in 1939, though this is not properly within the scope of this book. In this emergency producers were given a guaranteed price, involving the contingency of additional burdens on the British taxpayer: the situation of West African producers was thus made far more secure than it had been during the war of 1914-18. At the same time, the European firms for the first time in their history secured from public authority a cover for their costs and 'reasonable profit', together with export quotas safeguarding them against disloyal competitive practices inside their own circle and the competitive assaults of outsiders. Thus, under the pressure of war, the cyclical rhythm of 'insane competition' and 'imperfect combination' was for the first time arrested: government action supplied the missing factor of stability, and made the combination perfect, or nearly so. The principle under which government action will in the future supply

Our second question has now presented itself. Granted that the diseases which afflict West African commerce must be remedied, are the remedies which the European firms propound in the public interest? It would be out of place here to go too deeply into first principles: let us simply assume that the government is bound by its professions of trusteeship, and that it has the duty of maintaining or establishing an economic order which will, at the least, secure to African producers fair payment for the commodities which they offer in the world's markets. According to the nineteenth century's liberal colonial policy—which was a special application of its liberal economic theory—negative action by the government was sufficient to realize this end. If the 'open door' were maintained, competitive bidding from the buyers of all nations would give the producers the full and fair market-price. The government must be active in maintaining law and justice; in commercial affairs it could be passive, neutral. This assumption, as has been shown earlier, did not reckon with the fact that free competition includes freedom to compete in a struggle for monopoly; nor did it reckon with the combinations which, though falling short of monopoly, do in fact restrict the 'higgling of the market'. Can a government which is conscious of its responsibilities towards producers give full freedom to the combinations and agreements which we have seen operating in West Africa?

Do these combinations and agreements force producers to accept lower prices than those which freely competitive buyers would offer? The produce-buying firms argue that they have an interest in paying the full market-price; for most of them have more capital invested in the sale of European goods than in the purchase of African crops, and it is therefore to their advantage to sustain African purchasing power.¹ No doubt this is in a broad sense true; but it does not follow that firms and their agents invariably possess the vision, or even the

this missing factor of stability will assuredly have to be thought out clearly and stated firmly. A warning against the wrong kind of fusion between public authority and private enterprise, attempted amidst the pressure and fervour of war, is contained in the history of the Empire Resources Development Committee, which achieved notoriety towards the conclusion of the last war. See this *Survey*, vol. ii, part i, pp. 106 ff. and 113 ff.

¹ According to evidence submitted to the Nowell Commission, the capitalization of produce-buying and merchanting firms is as follows:

	<i>Gold Coast</i>	<i>Nigeria</i>
Merchandising trade	£6,234,123	£7,834,498
Produce trade	£3,313,678	£5,245,638
Total	£9,547,801	£13,080,135.

However, some of the cocoa-buying firms (see above, p. 210) are manufacturers who have no selling interests in West Africa.

power, to refuse immediate advantages for the sake of the long-term interests of their businesses. Statistical evidence on comparative prices under competition and combination is very difficult to obtain; but the following table—admittedly not of the highest intrinsic importance—does give a definite impression of the disadvantages suffered by producers who have been subjected to a buying combination:

Ground-nut Prices

<i>Season</i>	<i>Kano</i>		<i>Baro</i>	
	<i>Opening</i>	<i>Closing</i>	<i>Opening</i>	<i>Closing</i>
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1933-4	3 0 0	2 0 0	3 0 0	3 5 0
1934-5	4 16 0	8 17 6	4 10 0	5 10 0
1935-6	6 5 0	7 0 0	6 10 0	5 10 0
1936-7	7 10 0	7 10 0	7 10 0	3 15 0
1937-8	6 0 0	2 12 6	5 12 6	3 0 0
1938-9	2 17 6	4 10 0	3 10 0	4 12 6
1939-40	5 6 3	5 12 6	6 12 6	7 2 6

Judged by these figures the relation between Kano and Baro prices is rather capricious; sometimes Kano has had the advantage, sometimes Baro. In some years, however, Baro has been at an extremely heavy disadvantage. Yet it ought to enjoy in all years a marked advantage. The extent of the advantage is suggested in the figures for the year 1940: these figures are based on the schedule of costs admitted by the firms themselves under the war-time marketing scheme. The crop can be carried to market more cheaply from Baro because it is carried by river. How then did it happen that the prices of the nineteen-thirties failed to give the Baro market its natural due? Nigerian officials believe that monopoly interfered with nature. In Kano, the enterprise of Mr. Raccah was securing for producers the benefit of competitive prices. In Baro, trade was wholly in the hands of two firms, The United Africa Company and Messrs. John Holt Ltd. Ever since 1927, when the Marine Department withdrew from its business in river steamers, these two firms enjoyed unchallenged control of transport on the Niger. As produce buyers they worked in close agreement with each other, arranging prices and partitioning areas of commercial activity. Agents of the firms did not conceal from government officers their desire to make substantial profits in these areas in order to offset their low profits (if not their actual losses) in the areas where competition was keen. It is possible that their zeal overshot the mark. The district along

the Minna-Baro railway is naturally well suited to ground-nut production, and in the late nineteen-twenties the prospects of expansion seemed good. In the nineteen-thirties these prospects dwindled away.¹

The firms do not accept without dispute this table of figures or the argument which has been based upon it. They say that the Baro prices are 20s. to 15s. too low: they are outstation prices which do not include the 'zoning rate'—i.e. the average cost of bringing to rail- or river-head all the produce of the area from all the outstations. This rate, which is lower than actual cost of carriage from distant stations, and higher than the actual cost of carriage from near-by stations, is designed, so they say, to encourage production over a wide area. But it certainly has not achieved this object. Moreover, inclusion of the 'zoning rate', though it would reduce the discrepancy between Baro and Kano prices, would not remove it. The firms are prepared to defend the discrepancy as a matter of commercial policy. They justify their 'reasonable profit' in the Baro area as a compensation for the losses inflicted on them by 'the intense competition in the Kano area from the activities of purchasers who have not the same established charges as the European firms'.²

It may confidently be concluded that these Baro producers would have done better under a system of competitive buying. It is likely that other producers are suffering comparable disadvantages under the system of buyers' combination.³ Can the government remain indifferent? The responsibility of the European firms is primarily towards their own shareholders; but the government is responsible for the well-being of the Nigerian people. So long as prices are really fixed by the higgling of the market, the government may be content to remain aloof. But when prices are determined by commercial

¹ The above is based on records kindly put at my disposal by the Director of Agriculture. In 1927-8 the Badeggi district on the Minna-Baro railway exported 1,389 tons: in 1939 the export was virtually nil. Cultivators have changed over to food crops, rice, and chillies.

² The above paragraph is based on criticisms of my draft kindly offered by the Secretary of The United Africa Company.

³ e.g. the benniseed producers of Benue province. After 1922 there was a drop of £9 per ton in the price of the crop, due at least in part to the cessation of competition between John Holt & Co. and the Niger Co. From 1923 to 1929 the margin between the price paid at Katsina Ala and the Liverpool price varied between £15 and £11 per ton, and was never less than £11. The grower received no benefit from the high prices of 1924 and 1925, but when the Liverpool price fell in 1930 the local price was at once lowered. Even in the period of very low prices in the thirties the margin between Liverpool and local prices was maintained at £10, except in 1934. But in 1936 the margin was dropped to £7. This sudden benefit to the producer coincided with the entry of a French company as a competitive purchaser of the crop.

policy, any government which knows its duty will want to have an effective voice in making the policy.

Can the government enforce a system of perfect competition? In view of the trend of economic development, not only in West Africa but elsewhere, it may be doubted whether the government has the power to do this. And even if it did have the power, it might very well shrink from using it. Unrestricted competition, we have seen again and again, produces absurd excesses under West African conditions. It is ruinous to the European traders, and may well be contrary to the long-term interests of African producers. We must not forget that the European traders have rendered and are rendering essential service to the people of West Africa. The history of 'legitimate trade' is a worthy one, even an inspiring one. British West Africa to-day is a creation of the traders' frontier. It cannot to-day do without the traders. If we endeavour to imagine what would be the situation of Nigeria and the Gold Coast if 'insane competition' did really cause a general collapse of the European firms, we should value them more highly than some government officials are wont to do. The Africans are not ready to take their place.¹ The Syrians, useful though they may be, have not the capital nor the tradition nor the experience which are required for maintaining and strengthening the economic framework of British West Africa.² It is the government's duty to promote the common welfare of the territory and people which it rules: the common welfare depends on the welfare of the producers, and that of the traders also. The government, therefore, if it understands the commercial situation, cannot desire to restore the conditions of competitive individualistic anarchy.

This does not mean that the government must accept the new order which the European firms offer as a remedy for anarchy. As has been shown, it must sometimes reckon with the possibility that the buying combinations will depress prices. It must always reckon with the certainty that Africans will accuse the combinations of depressing prices. The government has the responsibility of basing British rule upon the consent of the governed, and this consent will

¹ See note on p. 218 above on small cocoa shippers in the Gold Coast. Note also the steady economic decline of the Creole population of Freetown before Syrian competition.

² It is often pointed out that the European merchants are only birds of passage in West Africa, enjoying frequent leave and retiring early. It must, however, be remembered that the 'Syrians', though they do not take frequent leave, do not feel deeply implicated in the country where they make their money. The Lebanese in Kano educate their children at home and send their money there, and hope to retire in the end to lead the good life in their own country, for which they have a touching affection.

become forfeit if the Africans believe themselves imprisoned in a commercial order which they feel to be unjust and detestable. There is no doubt about their detestation of 'pools'. The Nowell Commission felt complete certainty about this. It was faced by the unanimity of African testimony, and by something more. The 'hold up' of selling which was still continuing when the commission reached the Gold Coast proved that there was substantial unanimity of action. The firms argued that the 'hold up' was an artificial thing, the result of propaganda and intimidation by 'agitators' and chiefs and brokers. But it was not so. The farmers themselves were solidly in opposition to the combining firms.¹ The firms protested their intention of paying to the producers the full market-price, after reasonable deductions had been made for costs and profit. But the spokesmen of the producers made answer, 'We believe them not.'² The commission discovered 'an attitude of intense suspicion on one side and of injured integrity on the other'. How can commerce produce its healthy effects in such an atmosphere? Commerce, when it is not perverted,³ is an affair of reciprocal advantage: recognition of this reciprocity creates goodwill. An imperial authority which is responsible for the peace, order, and good government of its subjects, and professes in addition to be their trustee, cannot allow this goodwill to be squandered.

But how can it be restored? It would be a mistake to assume that the combining European firms invariably merit the suspicion which they excite. The combination of 1937 happened to coincide with a catastrophic fall in the price of cocoa. This was bad luck for the firms. Their combination did not cause the fall in price. Primarily it was caused by the bursting of a speculative boom in America.⁴ The Nowell Commission, after a very close examination of the world market for cocoa, concluded that the European firms established in West Africa could not exert any important or durable influence on the trend of world prices. But the West African growers and middlemen do not understand world prices. They too readily believe that boom levels are the normal and natural thing, and that lower levels are

¹ Cmd. 5845 of 1938, ch. vi, esp. paras. 208-10, describing the very significant Farmers' Unions of the Gold Coast. In Nigeria (*ibid.*, ch. vi) the farmers left it to the middlemen to play the active part.

² *Ibid.*, paras 385-9 (esp. testimony of Sir Ofori Atta).

³ On 'perversion' see this *Survey*, vol. ii, part i, pp. 20-1.

⁴ See Appendix B, giving prices of No. 1 Accra cocoa from 1910 to 1939. The steep drop from 1937 to 1938 occurred in the marketing season at the turn of the year. It was due in general to the 'recession' in American business, and also to the abnormal accumulation of stocks, caused in part by a serious underestimate of the Gold Coast crop. A crop-forecasting committee has since been established in the Gold Coast, but forecasting is a chancy business.

caused by an unscrupulous manipulation which robs them of their due.¹ They ought to be told the truth. Like other producers of raw materials they need education in the objective facts of the world economy with which their fortunes are linked.

This matter of education is very important, and should be made one of the chief tests by which the soundness or unsoundness of the commercial system is judged. The system of one-sided combination among European buyers does not pass the test. It denies to the Africans the opportunity of regarding themselves as active collaborators in the world's commercial business. It confronts them with prices which have in appearance been determined by the will of one party to the commercial transaction. When the combining Europeans protest that the prices which they offer are not arbitrary, but are on the contrary determined by the forces of supply and demand, the Africans reiterate their cry of distrust: 'We believe them not.' The firms argue that the government, after satisfying itself that the prices are fair, ought publicly to endorse them. They believe that the government's reluctance to do this is a sign of moral cowardice. But the truth is more complicated. A government standing above both buyers and sellers may properly assume the function of price-fixing. It may even, on grounds of public policy, add by subsidy an increment to the market-price. Or it may attempt to iron out fluctuations over a period of years.² These operations are not easy, but, if they are intelligently and resolutely performed, they have an educative effect in addition to their economic one. But a government which contented itself with the humbler role of endorsing the statements of a buyers' combination could not hope to produce the same effect, even if its endorsement were preceded by careful inquiry. Nor would it dispel the suspicion with which the pronouncements and decisions of the combination are regarded. It would be more likely to attract some of this suspicion to itself. This conclusion is based upon general experience of the relationship between responsibility and power. A government which takes responsibility for the operation of a commercial system must also take power to regulate that system. And it must exercise that power publicly.

¹ 'There is every indication that the farmers of the Western Provinces, if not of Nigeria as a whole, still regard the prices paid for their produce during the boom years as normal and those paid during the more frequent periods of depression as abnormal.' *Report of a Commission appointed in Nigeria to examine Recommendations by the Commission on the Marketing of West African Cocoa*, Nigeria, Sessional Paper No. 20 of 1939, para. 93.

² See above, vol. ii, part i, pp. 281-2, for discussion of the management by public authority of New Zealand dairy products' prices.

It has now been made clear that combination among the European firms is an insufficient remedy for the evils of cut-throat competition in West Africa. It has never yet given a sure promise of permanency, and therefore fails to meet the real needs of the firms themselves. It is unsatisfactory from the point of view of the public interest, because (as at Baro) it depresses prices, or because it is *believed* to depress prices, even when it does not do so; because, operating by unilateral decision, it fails to educate producers to a real understanding of the price system; because it imperils the consent and goodwill which should be the reward of just government and the foundation of its strength.

Is there any better way of educating producers? Can constructive planning break the wearisome and wasteful cycle of anarchic competition and one-sided combination?

In the cocoa-growing districts of the Gold Coast and Nigeria the governments have vigorously attacked the commercial problem by fostering co-operation among the producers. Co-operation seems to promise an effective answer to all the insistent questions. Co-operative marketing will substitute itself for the much abused middleman system. Co-operative credit will release growers from the debt-slavery to which the system of advances so often reduces them. The supervision exercised by the co-operative societies will eliminate the pests of false measures and adulterated consignments. Membership in a co-operative society will give the grower psychological satisfaction. He will no longer feel himself the victim of a one-sided price dictation, for in unity there is strength: his society can bargain on equal terms with the merchant houses, or it can if necessary export direct to the world market.¹ Over and above all these advantages, co-operation will perform a valuable function of education. The cocoa-growers of West Africa are being drawn rapidly from their old groupings by the influence of money and price: there is a danger that they may lose their sense of society and gain nothing better than the cash nexus. As 'economic man' the African is not infrequently a failure: sometimes his failure springs directly from his traditional virtues as social man—from those virtues which fitted the old society from which he has come, but do not fit the new society into which he is moving. Frequently he does not realize that his new relationships are truly social relationships: they are too impersonal, too dispersed. The co-operatives will make them personal and intimate. The tension

¹ See Sessional Paper No. 20 of 1939 (Nigeria), paras. 554-5. The individual African merchant, if he possesses the integrity and ability, can, no less than the co-operative society, export direct to overseas buyers.

between economic interest and social solidarity will thus resolve itself creatively.¹

This is the vision; and without vision there is no true statesmanship. But statesmen must also reckon their quantities. The quantitative progress of the co-operative movement in British West Africa does not as yet justify hopes that it will by itself solve the stubborn problems of commerce.² In the Gold Coast the Department of Agriculture during the nineteen-thirties devoted itself to the co-operative movement with enthusiasm, even to the neglect of its other functions;³ but in 1937-8 the co-operative societies marketed no more than 7,807 tons of cocoa, which represented only 2·8 per cent. of the crop. For this disappointing result the department blamed the firms; but the firms believed that the expectations of the officials ignored the real difficulties of marketing, both internally and externally.⁴ In

¹ The citation of particular examples would not prove the difficulty, which so many Africans find, of adapting themselves to the standards of behaviour which a commercial society demands; but readers of the local newspapers even over a short period will realize that the difficulty exists: for example, there is the frequency with which 'money doublers' secure victims. One of the traditional virtues which puts a strain on individuals who have done well in the new commercial society is the virtue of family solidarity: a clerk in a good position will frequently feel obliged to meet the demands for help made upon him by a big flock of relations. Mixed with the African's shrewdness about money and price there remains much gullibility: this is proved by the regularity with which Gold Coast farmers have been duped by fraudulent Europeans promising to get them better prices overseas. It is a pathetic and significant story which cannot be told here. Even in the co-operative movement, according to Stockdale, 'robberies of cash are not uncommon'. *Report by Mr. F. A. Stockdale . . . on his visit to Nigeria, Gold Coast and Sierra Leone, Oct. 1935-Feb. 1936*, p. 90.

² On the co-operative movement in British West Africa see Stockdale, *op. cit.*, the Nowell Commission, Shepherd, C. Y., *Report on Economics of Peasant Agriculture in the Gold Coast* (G.C. No. 1 of 1936), the annual reports of the Departments of Agriculture in the Gold Coast and Nigeria, and—more recently—the annual reports and audits dealing with the co-operative movement separately.

³ Reading between the lines of the Shepherd and Nowell reports one can feel that there were strong misgivings on this score. e.g. Shepherd says: 'Almost the entire efforts of the Agriculture Officers in the districts are devoted to co-operation.' The Nowell Report (para. 151) records £15,377 as the Gold Coast estimate for co-operative societies in 1937-8; but, says Shepherd, we must also reckon in the cost 'almost the entire efforts of the Agricultural Officers'. It is this concentration of energy and finance on co-operation which explains the belated establishment of the vitally important cocoa research institution at New Tafo.

⁴ The firms refused to offer more than 6*d.* a load premium on the cocoa marketed by co-operative societies: this trifling payment simply acknowledged the savings of brokerage, &c., which the firms made, and did not reward the societies for the higher quality which they offered. Nor did it compensate the producers for the extra effort which co-operation demanded of them. The firms argued that they could purchase cocoa of good quality without going to the co-operatives, and that they could not always trust the co-operatives to maintain good quality: in any case, the way to maintain quality was to make the possession of wet cocoa an offence. (This has recently been done.) They also maintained that the nature of demand in the world

Nigeria the record of progress was considerably more hopeful. The co-operative societies in 1938 marketed 4 per. cent. of the crop. These societies were also, on the whole, larger than the ones in the Gold Coast, and some of them—notably those which were grouped in the Ibadan Co-operative Cocoa Union—represented an advanced type of organization. Moreover, the attitude of the firms was frequently more helpful, and the producers in some districts were enthusiastic. This promising state of affairs had been achieved in Nigeria with far less effort and expense than in the Gold Coast. Might not very much more be achieved if the government really put its back into the work? The Nowell Commission called upon the government to put 'the whole weight of its influence behind the movement'. It believed that the stubborn problems of marketing in the cocoa areas of Nigeria might be solved 'through the expansion of the present co-operative societies to cover the whole, or at least the greater part, of the annual production'.¹

The Nigerian officials did not share the optimistic anticipations of the Nowell Commission. These officials had done their work so well that they understood its limitations. They would be grateful for increased financial support,² and were confident that this support would enable them greatly to increase the speed of progress; but they did not favour a violent and ambitious rush forward. They believed that progress, if it were to remain sound, must mean the progress of education, and of African response to education. They wanted a co-operative movement founded upon the loyalty, intelligence, and honesty of its members. They knew that they were already demanding a great deal from an agricultural population which was 98 per cent. illiterate and almost 100 per cent. ignorant of book-keeping. They did not want to deceive the Nigerian cultivators with flatter-market for cocoa did not justify price differentiation in favour of the better consignments of the Gold Coast product. All West African cocoa should be lumped together as 'fair average quality'.

The different varieties of cocoa, and the commercial demand for these different varieties, are succinctly explained in a publication of the Imperial Economic Committee, entitled *Cocoa*. The publication shows that there is a considerable price premium (though it is diminishing) for *criollo* and the specially fine varieties of *forastero*. Producers in Venezuela and parts of the West Indies benefit from this premium. But all West African cocoa is classed as bulk cocoa: finer varieties from elsewhere are blended with it in the highest-quality manufacture.

¹ Cmd. 5845, paras. 554-7.

² Since 1935 there has existed in Nigeria the independent post of Registrar of Co-operative Societies. In 1937-8 the cost of his department was only £4,800: this is a marked contrast with the situation in the Gold Coast. In fairness it should be remembered that co-operative credit in the Gold Coast had progressed far more satisfactorily than co-operative marketing, and that in Nigeria the situation was reversed.

ing short-cuts; they were quite unsympathetic towards the Abeokuta Co-operative Easy Life Society and towards the many similar ventures of Africans 'who have come and peeped inside the co-operative fold, only to recoil disappointed on finding that co-operation, so far from being a bed of roses, is strewn with thorny regulations difficult to comprehend and more difficult to observe'. These officials were not cynical; they were idealists who pitched their hopes very high and were determined that they must not be ruined by doctrinaires in too much of a hurry. They aimed at nothing less than an African community 'educated in the proper use of money . . . the sane use of credit'. They believed that Africans could be prepared for this community only by patient and persistent training in the difficult tasks of self-government and responsibility. They rejected the proposal to use the co-operatives as an instrument for solving the whole marketing problem, because they were loyal to a more distant, more substantial purpose.¹

Since government action through support of the co-operative system has been judged insufficient, we must consider what other forms it has taken, or may take. The Nowell Commission produced an imposing plan of action for the Gold Coast. It recommended the establishment of an organization—the Cocoa Farmers' Association—to 'represent the interests of producers and to assemble and sell on their behalf the entire crop of the Gold Coast'. It proposed that this organization should be governed by a board composed of African representatives, government officials, and (possibly) co-opted members. Every producer must be a member of the new association, and every bag of cocoa must pass through its hands; all payments to producers must be made through the association, which for purposes of administration would divide itself into 500 regional groups covering the whole cocoa area. The commission estimated that the capital cost of establishing this great organization would be about £300,000, and that the annual cost of running it would be about £250,000, a figure which represented a charge of 6*d.* per load.²

This proposal turned the tables on the European firms. Instead of a buyers' pool there would be a sellers' pool, organized by the

¹ The quotations in the above paragraph are taken chiefly from *Report on the Progress of Co-operation in Nigeria*, for the two periods 1935-7 and 1937-9. For rejection in Nigeria of the Nowell Commission's proposals, see Sessional Paper No. 20 of 1939.

² Cmd. 5845, paras. 511-45. The commission argued that its proposal expressed the principle of producers' co-operation in the 'drastic' and 'radical' manner necessitated by the urgency of the Gold Coast's marketing problem and the immaturity of its co-operative societies.

government. What if the European buyers should protest against combination, in the same way as the African sellers had recently protested—by organizing a 'hold-up'? The commission set down several reasons why they should not wish to do this, and why, if they did attempt it, their attempt would fail.¹ Nevertheless, the proposed Cocoa Farmers' Association failed to win strong support in the Gold Coast, either from Europeans or Africans. Methodical inquiries undertaken by a representative local committee revealed that it would be much more costly than the Nowell Commission had forecast—£861,000 instead of £300,000 for capital expenditure, and £401,000 instead of £250,000 for annual running costs. This did not make the scheme impracticable: the Gold Coast crop, even at so low a price as £14 per ton, would be able to carry the cost. But the scheme was unacceptable to some of the chief interests concerned in the trade. The firms objected in principle to a monopoly of producers financed by the government.² The African chiefs began by supporting the scheme, but soon discovered that their own community was not solidly behind them. The middlemen opposed it, the co-operative movement opposed it, and between them they organized resistance in the producing areas. The mass of the producers were probably not very much interested one way or the other: what they wanted, and what they had expected from the Nowell Commission, was a rise in the price of cocoa. Government officials were divided. Some of them favoured the scheme; but others looked upon it as a grandiose experiment which might involve the administration in heavy financial loss, if ever the association seriously miscalculated the trend of the market. In face of all these protests and misgivings the 'radical and drastic' solution which the Nowell Commission proposed had no chance—for the time being, at any rate—of winning acceptance.

It is now time to turn from the great hopes and projects which remain unrealized to smaller achievements which have already stood the testing of experience. It is unwise to despise the day of small things. If governmental action can extirpate or mitigate those particular abuses which most persistently afflict West African

¹ Cmd. 5845, para. 536. The proposed association would be able to apply against the firms the 'sanction' of selling direct on the world market; but the firms would be unlikely to stage a 'hold-up' because they would all be pleased to be rid of the middleman system, and individually would be concerned for their prestige.

² *Per contra*, the emergency war-time scheme instituted for the season 1939-40 might be described as a monopoly of established buyers financed by the imperial government: the price guaranteed by Great Britain, however, safeguarded the producers against the disorder and loss of the previous war. Prices then were unfixed and high, but shipping shortage kept most of the crop immobile in West Africa, and even on the deteriorating trees.

commerce, it may hope thereby to bring under control the cyclical oscillation between anarchic competition and one-sided combination. With the elimination of unhealthy trade practices competition may be trusted to yield its normal advantages to producers and traders. Combination, where it controls the market, can itself be controlled in the interests of the community. A favourable soil will be prepared for the growth of new forms of commercial practice—for example, co-operative marketing. The result would be, not the sudden supersession of the existing order by some entirely new order, but a steady improvement in the general health of commerce and an experimental and educational progress along several lines at once.

The particular abuses which need to be attacked have already been fully described; they may be summarized again in the words of a Nigerian committee which considered the Nowell Report:

‘Of the four principal abuses of the present marketing system: speculation, false declaration, loans to producers in the off-season and the giving of false measures, three are in the main rendered possible by the possession of money advanced by the exporting firms. . . . The local agent who sees the result of the system . . . would welcome a return to saner methods. The effect on the people themselves has been disastrous. This fantastic abuse of credit . . . has been the most important factor in reducing the peasant farmer to his present condition of indebtedness.’¹

This statement, it will be noted, enumerates four abuses, but immediately reduces them to two—the giving of false measures, and the ‘fantastic abuses of credit’ represented by the middleman-and-advances system.

The first abuse, and others associated with it, can be brought under control by means of government inspection. The systems of inspection instituted by the West African governments since the last war (and particularly during the past decade) cannot here be described at length; but it may be confidently stated that some of them, at least, have achieved outstanding success. The palm-kernel industry of south-eastern Nigeria and the hides and skins industry of Northern Nigeria present two outstanding examples. In the former the action of a well-trained and well-managed inspectorate has entirely eliminated the losses in weight during transit, which used to be caused by wetting the palm-kernels: the system of inspection nowadays is both fool-proof and knave-proof. In the hides and skins industry inspection has saved hundreds of thousands of pounds by reducing the evil effects of bad drying upon the quality of the goods. In both these industries the institution of inspection

¹ Sessional Paper No. 20 of 1939, para. 125.

by the government was at first distasteful to the European traders; nowadays, however, inspection has their enthusiastic support. In the cocoa industry this support is still uncertain. In the Gold Coast inspection of cocoa was carried on for seven years under a voluntary scheme; but in the end the attitude of the firms compelled the government to legislate for a compulsory system. The firms in Nigeria have shown themselves more willing to co-operate. Inspection of cocoa is a far more complicated business than inspection of palm-kernels, and it is not so easy to make a simple and generally acceptable scheme. Nevertheless, the principle of inspection is sound; with modifications to suit the special needs of particular commodities it can and should be extended to cover the whole range. The pests of adulteration, dilution, false measures, and all the similar tricks which so entertained Mary Kingsley can and will be eliminated.

The 'fantastic abuse of credit' represented by the advances system, and all its attendant evils, can be brought under control by the public regulation of marketing. This regulation can be very easily combined with the system of inspection. One or two examples of successful action along these lines will now be given. The credit due to intelligent experiment and success belongs to the Nigerian Department of Agriculture.¹

The first example introduces us to naked pagans living in the south of Zaria province. In the early nineteen-thirties these people still lacked a cash crop: the Department of Agriculture set itself to meet their need by teaching them to cultivate ginger and prepare it for export. At one time the plan went badly wrong: this mishap is an instructive story which will be told in a later section.² Our present concern is with a new experiment in the organization of local markets. From the beginning, firm action by the Department of Agriculture prevented the usual abuses from establishing themselves. The system which the department adopted works as follows. The whole business of selling ginger is conducted in public markets, which are plots of ground enclosed by zana mats. The cost of these simple establishments is met by imposing a charge of £2 per annum for every scale set up in the markets by the firms which purchase the crop. The crop is brought to market by the growers, or (more commonly) by their womenfolk: thousands of pagan wives and daughters carry in baskets full of ginger during the appointed season. Outside the market African clerks of the Department of Agriculture are in attendance. They plunge their hands into the baskets and take

¹ Similar methods have been employed in French West Africa and British East Africa.

² See below, pp. 261-2.

samples for grading, and then they hand out tickets—a ticket of one colour for first quality, a ticket of another colour for second quality.¹ The pagan wives and daughters go with their tickets and their baskets into the market, where the buyers of the exporting firms stand behind their stalls. Over each stall is chalked up the name of the firm and the price which it offers for each grade of ginger.² To be sure, most of the pagan wives and daughters cannot read what is chalked up; but among West African producers published information about prices invariably circulates. Do the producers of ginger find it dull to have no chance of bargaining? They have at any rate the satisfaction of receiving the full price of their produce, without any of it sticking to the fingers of middlemen.³ As for the European buyers, they have been freed from their familiar nightmare about advances, and they receive the fair return due to them for their services in handling and exporting the crop.

Cannot the same principle and technique be employed in the marketing of other crops? It must be admitted that there are in the ginger trade special natural advantages: the marketing period is short and the area of production is compact and manageable in size. But these advantages do not by themselves determine the result. The benniseed crop possesses not dissimilar advantages, but these are not reflected in the marketing system. The cotton crop, on the contrary, is dispersed over a wide area;⁴ yet the method of handling it is in many respects similar to the method used in handling the ginger crop. The story of success in the marketing of Nigerian cotton has two main features: the wise retreat of the British Cotton Growing Association, and the timely intervention of the government. The B.C.G.A. came to Nigeria to experiment, to plant, to buy, and to gin: it remained to gin. It left production to the natives, experiment to the Department of Agriculture, and purchase to the European firms. These found themselves before long afflicted with the familiar anxieties. The growers ceased to bring in their cotton and sold it to middlemen. The firms competed with each other for the

¹ A very small proportion of the crop—about 1 per cent.—is given a distinction above first grade and secures a small price system.

² This method of price announcement is capable of working either in a system of free competition or a system of price-fixing by public authority.

³ Europeans probably exaggerate the Africans' love of bargaining; what they ascribe to a sporting sense is possibly due to the extreme need of poor people to get every possible extra halfpenny, even at the cost of much time.

⁴ Cotton is located generally in the southern belt of the Hausa country of Northern Nigeria, but it penetrates northward, following the heavier soils of the river valleys which run through predominantly ground-nut country (i.e. the lighter soils of the north). Cotton can bear a longer transport haul than ground-nuts.

services of middlemen. The advances system rapidly became a pest both to the firms and to the debt-menaced farmers. The unhealthy state of the trade induced the government in 1935 to appoint a committee of investigation. As a result of this investigation, the government in 1936 issued new marketing regulations. These regulations forbid the sale of cotton outside authorized markets—which, like the ginger markets, are plots of ground enclosed by zana mats. As in the ginger business, there is inspection and grading outside the market: inside it licensed buyers exhibit on a board the market-price for each grade. Since the cotton area is a wide one, the producer cannot always bring his own produce to market; but government control goes far to secure for him the full advertised price less the real cost of transport. There are some special difficulties due to the necessity of controlling seed, and it is not pretended that the system cannot be further improved.¹ Nevertheless, it has already eliminated the worst evils which afflicted producers and traders before 1935.

These evils still exist, in greater or less degree, in the produce trades of the south. Why cannot the methods which have achieved so much in the north be employed also in the south? Traders shake their heads when this question is put to them. It would be costly to establish the markets, for under the wet conditions of the south the temporary mat structures used in the north would not suffice. . . . This is certainly true. Distances are large, producers are scattered, organization would be too difficult. . . . The traders once had the same misgivings about the cotton scheme; yet it came into existence with their assent and has continued with their whole-hearted approval. Surely there exists already a body of tested experience which ought to be followed up? This was the definite opinion of the committee which the Nigerian government appointed to consider the recommendations of the Nowell Commission. As we have seen,² this committee refused to jeopardize the future of the co-operative movement by imposing upon it prematurely the burden of handling the entire cocoa crop. It preferred to build upon foundations which had already been tested. It accepted every suggestion which agreed with or improved upon the findings of experience: for example, it accepted the suggestions for a widespread day-to-day publication of market-prices. It be-

¹ After separation from the lint, some of the seed is used in the ginneries for fuel, some is exported as a low-grade oil-seed, and some is retained for distribution to growers. To facilitate this, the regulations stipulate that once seed cotton has been bought in the market it must not change hands until after it has been ginned. This has made it rather difficult for independent African buyers to operate; the Department of Agriculture is studying proposals to remedy it.

² See p. 228 above.

lieved that the system of publicly announced prices could easily be combined with the system of central markets and licensed buyers which had proved satisfactory in the ginger area of the centre and the cotton districts of the north. This was the line of advance which the Nigerian committee, and thereafter the Nigerian government, resolved to follow.

It is not spectacular advance, but it is hopeful. When we review the commercial difficulties which have been discussed in this section, we recall that many of them are the legacy of a peculiar history: many of them are the problems of an immature economy and a primitive society. The remedies can only succeed if they form part of the natural development of the economy and the society. A firm and resourceful economic policy can expedite this development. By the intelligent use of opportunities, by the intelligent anticipation and guidance of emerging forces, the government may hasten the day when the producers of Nigeria will have the opportunity and the capacity to exercise initiative in their commercial affairs. This must be the aim of a government which seeks to give reality in the economic sphere to its profession of trusteeship.

The government has the right to call on the European firms to support it in this effort. If the firms rightly understand their own interest, they will freely give their support. Many of their persistent embarrassments may be traced to primitive and highly competitive commercial conditions which government action alone is capable of removing or controlling. 'Insane competition', tonnage-hunting, the advances system and its 'fantastic abuse of credit', are symptoms of a lack of governance. They are also expressions of fear. Each individual firm (in particular, the very big firm) feels that it is highly vulnerable to competition. It is afraid of being left behind in the scramble. Sometimes—notably in the cocoa trade—it pushes forward into ventures which cannot possibly be profitable. Or else it struggles to secure a monopoly of this area, or of that venture, in order to recoup itself by safe profits for the losses which it has suffered elsewhere. As a result its conduct is judged oppressive and greedy. It appears resolved to leave no openings for anybody else. It seems to stand as a barrier in the way of African opportunity. It concentrates upon itself the attacks of an awakening African nationalism. This is an unenviable situation. If government policy can remedy the historic difficulties which in large measure give rise to it, the firms will have real cause for gratitude. They would then be able to shorten their line and would thereby find it less costly to hold. They would find themselves able to withdraw from some of their

functions without real loss to themselves, and with real advantage to the growing class of educated Africans for whom the government, in accordance with its pledges, is bound to create opportunities of useful work and service.

Such a policy would not achieve its ends in a day, but there is no reason why it should not be clearly conceived to-day and steadily pursued every day. If it is clearly conceived, it will not be merely a commercial policy. It will touch every branch of economic endeavour and it will inspire the educational effort. Marketing problems are important, but there are others which are still more important. The Nigerian committee which pointed out the road of advance in the marketing of cocoa also pointed out the menace of inefficient methods in the growing of cocoa. It reminded West African producers that they had keen competitors: Brazil was extending its acreage and improving its quality and Malaya was entering the world market with new strains. Other countries were losing ground. 'Fifty years of dazzling prosperity' had blinded the Trinidad planters to the steady deterioration of efficiency on their estates: in the past twelve years—despite an efficient marketing system—their exports had fallen by more than one-half. The cocoa growers of British West Africa had also enjoyed many decades of prosperity; but it was high time that they should look to the foundations of it.

IV

PROBLEMS OF PRODUCTION

We must now face the crucial question which arose from our study of the abortive planters' frontier. That study revealed a conflict between two opposites—modern production on the one side, primitive landownership on the other. But is the conflict inevitable? Are the opposites irreconcilable? The governments of British West Africa have throughout the past twenty years maintained that the opposites can be reconciled. They have committed themselves to a positive policy of agricultural research and education which aims at grafting modern scientific technique on to the primitive stock of native land custom. We must now inquire whether their faith has been justified and their policy successful.¹

¹ This section is based in general upon the following evidence: the annual reports of the Departments of Agriculture and Forestry for the Gold Coast, Nigeria, and Sierra Leone, and the annual reports of the Veterinary Department in Nigeria and the Department of Animal Health in the Gold Coast. There are in addition special inquiries, e.g. those of Shepherd and Stockdale already cited, and *West African Agriculture* (Cambridge 1933) by O. T. Faulkner and J. R. Mackie. I have also had

The criteria by which success may be measured are three. First, there is the export trade. The record of experience contained in this book has many times revealed the importance of exports to a young colony. It has been their historic function to cover the costs of initial development, to equip the colony with its 'permanent outfit' of public works and public services, and the revenue or credit-worthiness which pays for them.

There was a time when a large and growing volume of agricultural and raw-material exports was by itself accepted as the test of economic success in a colony or protectorate. But that time has now passed away. The collapse of export prices during the nineteen-thirties inflicted drastic losses of income upon every country which depended upon world markets. Production for export, it is true, still retains and must for long retain great importance, and the governments of West Africa have reason to congratulate themselves on the development of the new cash crops—ginger and benniseed and piassava and limes—which are taking their places alongside the old export staples. They are nevertheless increasingly aware that agricultural policy must be judged by a second criterion: its success in expanding and diversifying the home production of food. Home production will mitigate the economic effects of depression in the world's markets and may do a great deal to improve the physical well-being and mental alertness which are both a measure of social progress and a condition of further economic progress. But the progress will be illusory if it is paid for by the waste of natural resources. That is a lesson which during the past generation has been learnt through bitter experience in the North American dust-bowl, in the marginal wheat-and-sheep country of Australia, and in the leached and eroded areas which have become a menace in almost every territory of Africa. A sound agricultural policy will nowadays be judged by a third criterion, which is perhaps the most important of all. It is the maintenance of soil fertility.

With these standards in mind we may now consider specific crops and regions of British West Africa. The palm belt of south-eastern Nigeria first claims attention; this is the region which has to face the competition of scientific plantations established in Sumatra, Malaya, and the Belgian Congo. To understand the full implications of this competition it is necessary to examine the agricultural situation of south-eastern Nigeria under each of the three heads which have been set out above. Moreover, the relation between population

access to unpublished departmental material, some of which is cited in the text, and have gained a very great deal from personal observation and inquiry in Nigeria and the Gold Coast.

and natural resources must not be left out of account. South-eastern Nigeria is, by African standards, a very densely populated country. There is, however, little regularity in the distribution of the population: the number of persons to the square mile varies from one or two score to over a thousand. The Okigwi division of Owerri province is the most congested area of the south-east; but while some of its clans are crowded to the extent of 1,250 persons to the square mile, others have less than 300 persons to the square mile and are therefore comparatively well off for elbow-room.¹

The primitive agricultural system of West Africa assumed a plentiful elbow-room. So long as this condition existed the system was not a bad one. It was not exactly 'shifting agriculture', though it is often called by this name; rather was it an extensive rotatory agriculture with long periods of bush fallowing. The rotation would begin with the clearing and burning of a patch of bush and the planting of mixed food crops: the patch in its second year would contain cassava and the returning bush: for the next four or five years it would remain entirely under bush. Then the cycle would begin again with a new clearing and burning. On the whole, the bush fallowing lasted long enough for the maintenance of soil fertility. But the system depended on sparsity of population. In many districts of south-eastern Nigeria it has long since broken down. Over wide areas the fields to-day are cropped 1 year in 3 instead of 1 year in 6; in some areas cropping has become almost continuous. The effects upon soil fertility have been disastrous, though strangely enough they do not seem at present to be cumulative. In the most densely populated areas stabilization has occurred—but at a very low level. Year after year the exhausted soil returns the same wretched harvests. Among many of the Ibo clans emigration has become an absolute necessity. But emigration cannot by itself solve the problem. The yield of food crops remains too low to support the families who remain. Agricultural policy is therefore compelled to pursue two aims: first, the maintenance of cash income from the sale of palm produce so that the people may be able to supplement their food production by purchase; secondly, the increase of food production by better farming methods and a recovery of soil fertility.

In pursuing the second aim the Nigerian Department of Agriculture for many years pinned its faith to the method of green

¹ These figures of density to the square mile are obtained by the very rough-and-ready method of multiplying by 5 (which is assumed to be the average size of a family) the number of tax-paying males recorded in a division. The tax registers are very variable and the officers who compile them do not all follow the same standards of severity or leniency.

manuring. It thought itself compelled to do so because the prevalence of tsetse fly seemed to forbid the introduction of animals and animal manure into the husbandry of the south-east. But in this area, where the need is greatest, the propaganda in favour of green manuring has produced disappointing results. The cultivators have not thought it worth their while to grow crops merely for the purpose of digging them in. Probably they are right. Soil exhaustion has gone so far that green manuring produces a negligible response.¹ Fortunately, there exists to-day a new hope of introducing animals. Sheep and goats are fairly plentiful already: the farmers may be taught to make better use of their manure by means of bedding and composting. Far more important are the cattle-breeding experiments which are now being made at Ilorin: if they succeed there will be available a new strain of tsetse-resisting cattle, far more valuable than the present dwarf breed for the purposes of draught, diet, and manure.² But much of the experiment, and nearly all of the education, lie in the future. Quantitatively, the results which government action has achieved under the heads of food production and soil improvement are, as yet, inconsiderable.

There are districts in the congested south-east where families possess on the average barely more than 2 acres of this exhausted land.³ For these families cash income is a necessity of life. Under present conditions the only possible source of cash income is the trade in palm-oil and palm-kernels. Farther to the west the native cultivators have turned from the palm trade to the far more profitable trade in cocoa, and in the swamps of Sierra Leone they have in recent years found a new source of cash income through the development of rice growing. But the poor acid soils of south-eastern Nigeria will not produce cocoa or rice. They will produce rubber, but the marketing situation deters the government from encouraging this crop; they might produce sisal, but this is not a peasant crop.⁴ The Ibos and

¹ It would be necessary to plant and dig in for many successive years, and the natives cannot afford to let land lie so long out of production, even though it is low production. Moreover, soil exhaustion has gone so far that the virtue-restoring minerals are often too deep below the surface for the plants to get at them with their roots and bring them up. In the poorest and most acid soils the green manures cannot be established because the plants simply will not grow.

² Strains from the Gold Coast and French West Africa are figuring largely in the Ilorin experiments.

³ The number of acres to each tax-paying male in Ebeteghete is only 2.18.

⁴ The poverty and acidity of the soil are to be correlated with the lack of 'exchangeable bases', notably lime and potash. Acidity renders immobile such phosphate as the soil possesses: the plants cannot get at it. Also the soil is light: it is subject to erosion and leaching: there is no underlying rock whose decomposition might add to the store of minerals in the soil. Rubber, however, does reasonably well and might

Ibibios of south-eastern Nigeria are therefore compelled to remain in the palm business. And the government is obliged to do everything in its power to keep the business profitable.

It will be useful to recall the competitive advantages which plantation production in Sumatra and other places has asserted over the forest industry of West Africa. Plant-selection produces fruit of finer quality and higher yield. Scientific cultivation brings the trees earlier into bearing, reduces the cost and labour of harvesting, and increases the harvest's bounty. Mechanical extraction in central mills almost doubles the quantity of oil which is recovered from the fruit and raises its quality by lowering the percentage of free fatty acid. If the peasants of West Africa are to retain a profitable share of the world trade they must meet each of these three competitive challenges. They cannot do so without expert and energetic aid from the government. The Department of Agriculture, therefore, is faced with a threefold task. It must improve the breed of tree, it must improve the methods of planting and cultivation, it must improve the method of extraction. The task of botanical research and experiment is exclusively its own. The other two tasks cannot be attacked without Native co-operation.

The problem of breeding better types of fruit is considerably more complex in West Africa than it has been in competing countries where the oil palm is an immigrant. The planters of Netherlands India and Malaya were lucky: they found ready to hand the Deli type which breeds true and produces a thin-shelled small-kernel fruit giving a heavy yield of pericarp oil. At the same time, the greatest credit is due to Dutch administrators, planters, and manufacturers for the energy and skill which they have expended in improving the breed, thereby profiting to the full from their initial good fortune. In the West African forests there is a large variety of breeds: those which occur most frequently produce fruit with thick shell, large kernel, and correspondingly diminished pericarp. It was not until 1921 that the Nigerian Department of Agriculture initiated a long-term plan of experimental breeding, though fortunately it was then able to make use of some seed plots which had been started at Calabar in 1913. Since 1921 considerable progress has been achieved; but a

offer some change-over from palms. Up to about sixteen years ago the Department of Agriculture assisted the natives to plant trees, but the fall in prices led to a cessation of tapping. Tapping began again when prices improved a few years ago. Nigeria, as a very small producer, does not come into the rubber restriction scheme; but if, owing to government encouragement, production noticeably increased, she would be compelled to enter it. There would be an outcry if farmers with young trees coming into bearing were forbidden to tap them.

work of practical plant genetics simply cannot be rushed. There must be selection and re-selection, and it takes some generations (a generation of *elaeis* is fifteen years) to get varieties which may be trusted to breed true. The Department of Agriculture has now begun to distribute among growers seedlings of favoured type and high prospective yield;¹ but it still depends very greatly on the initiative and goodwill of a private venture, the plantation of 'Ndian owned by The United Africa Company, for the furtherance of this work. Moreover, botanical research in Nigeria has not yet reached the scientific conclusions on which a definite long-term policy must be founded. The Nigerian government was very slow in appreciating the need for research. The Nigerian Department of Agriculture is still hampered by a late start and shortage of funds. An agricultural officer who visited the Belgian Congo in 1939 discovered that the Nigerian effort was lagging far behind in money appropriation, research staff, and experimental stations.²

Quantitative measures of success can be more easily applied under the other two heads of the palm-oil improvement policy—systematic planting and improved methods of oil extraction. The Department of Agriculture has tried to persuade Native producers to plant their trees in orderly groves, instead of depending on the haphazard growth of the forest. It has also attempted to popularize hand-presses, which, though they extract far less oil than the machinery of a central mill, are nevertheless a considerable improvement on native methods of extraction.³ The results achieved under both heads are

¹ Analysis of the types produced on the Calabar plots began in 1922; selection of the best types began in 1927. The selected types were distributed among four experimental stations aggregating 77 acres. The Department estimates that by 1946 these stations will be producing 300,000 seedlings per annum.

² The Nigerian estimates of 1938-9 showed a realization of the urgency of the situation by giving a much-increased appropriation, and before the outbreak of war in 1939 application had been made to the Secretary of State for a grant from the Colonial Development Fund.

³ Native methods are supposed to extract about 50 per cent. of the pericarp oil: plantation machinery extracts 85 per cent., 90 per cent., or even more: the hand-press extracts about 65 per cent. As has been shown above (p. 190), central mills cannot expect success unless they are part of a plantation system. Recently, however, an attempt has been made to find something between the central mill and the hand-press: the United Africa Company has offered to the Nigerian government a small power-driven pioneer mill which, it is claimed, will extract upwards of 80 per cent. of the oil. Its capital cost is estimated at £1,250, it would serve 270 acres of Native *planted* palms and would produce on one shift 30 tons of oil per month. Whether the running costs and depreciation will permit it to function without financial loss remains to be tested.

As for the hand-presses, the most popular model, the Duchscher press, was made in Luxembourg, but other varieties are now being used. It is very significant that a large proportion of press owners (in some districts more than 50 per cent.) have not

set out year by year in the departmental reports. In 1930 there were 100 hand-presses in use: by 1940 the estimated number was 816. The following brief table gives the result of ten years of propaganda in favour of scientific planting:

	<i>Total number of Native 'planters'</i>	<i>Total area planted</i>
1928	6	21 acres
1938	5,530	9,213 ..

The percentage increase may seem impressive, but the totals are disappointing. Compared with the number of Africans who depend for their well-being or even their very existence on the sale of palm produce, very few have seen fit to improve their methods. The following table will give some idea, both of the population pressure which makes agricultural reform urgent and the slow response to the propaganda for reform. The percentage figures in the fourth column are striking evidence of the quantitative insignificance of the progress so far achieved in orderly planting.

Okigwi Division¹

<i>Clan or group</i>	<i>Average acres per tax-paying male</i>	<i>Density tax-paying males per sq. mile</i>	<i>No. of plot owners (planted palms)</i>	<i>Percentage of plot owners to tax-paying-males</i>	<i>Presses</i>
Obowo } Ihitie }	2.78	236	41	0.4	15
Oru	3.86	165	12	0.1	2
Orsu	5.24	123	8	0.1	3
Isu } Mbama }	3.23	198	5	0.01	2
Isuochi	7.04	90	3	0.03	..
Osu	3.33	192	8	0.1	1
Isuikwuato	9.31	69	1	0.1	26
Ndizorgu	9.35	68	1	0.03	31
Nkaku	3.53	180	none	..	3
Otanzu } Otanchara }	11.03	57	none	..	22
Uteru					
Ugiri	2.55	250	none	..	none
Ehime	2.67	240	none	..	none
Ugboma	4.39	146	none	..	none

been full-time farmers but school teachers, carpenters, and others who depend on hired labour.

¹ This table is copied from the palm survey of south-eastern Nigeria undertaken by a District Officer specially assigned to the task, Mr. A. F. B. Bridges. Mr. Bridges has carried out the work with great industry and judgement, both here and in the less important palm-growing area of the south-west. As a result, we have for the first time a definite statistical and sociological analysis of an economic area. Its value as a guide to policy cannot be exaggerated: it means that the government may make

It will be observed that the proportion of plot owners to tax-paying males in this division is always lower, and usually very much lower, than half of one per cent. In the whole of south-eastern Nigeria there are only five clans where the proportion is 1 per cent. or over.¹ No doubt there is some comfort to be drawn from the rate at which the planting movement has accelerated during the past ten years.² It is wrong to despise the day of small things. But the present day is still most obviously a day of *very* small things. Meanwhile, the rate of acceleration of Sumatran and Malayan production is extremely formidable. Nigeria needs, here and now, impressive quantitative results. There is as yet no certain sign that she will achieve them.

Why has the progress been so disappointing? In order to shorten the inquiry we shall neglect the problem of hand-presses³ and confine ourselves entirely to the palm plots. On the agricultural experiment-stations the advantages of careful planting are visibly demonstrated: the palms which are properly spaced and regularly cleared of bush and free from the competition of food crops are much more shapely, healthy, and productive than those which struggle along in accordance with the usual native method. The Natives who live in the surrounding country can if they wish visit the experimental station and see the difference with their own eyes. But it is one thing to see and quite another thing to imitate. In uncongested districts where the conditions of life are easy it may not seem worth while to take the trouble. In congested districts where methodical planting would ease the strain upon the soil and increase its yield, the trouble of sorting out and replanting the little parcels of land may be too much to cope with.⁴ Even where the relation between people and

decisions on the basis of quantitative knowledge—though (see note on p. 238) some of the quantities are rough and ready—instead of mere conjecture. But, as has been suggested above (p. 208), the government has still nothing more than conjecture to go on when it tries to frame a policy bearing on the world-market aspect of the palm industry.

In the table quoted there are no figures of the size of the planted plots. In the whole of south-eastern Nigeria (i.e. the Ibo, Ibibio, and Cross River areas) there are 1,438 plots: more than half these are under $\frac{1}{2}$ acre. A $\frac{1}{2}$ -acre plot would contain no more than 30 palms.

¹ The Autan Ekpe clan in Uyo division heads the list: 2 per cent. of its tax-paying males have planted plots.

² The Department of Agriculture Report for 1938 anticipated a rapid acceleration: but owing to the fall in prices these anticipations were not realized in the following years.

³ One factor is, however, worth mentioning—the vested interest of the women in the palm-kernels. They crack them and the profit is their perquisite.

⁴ New planting appeals more to the Natives than replanting. They hate cutting down trees, even poor trees, so long as they produce some income. But it is only in uncongested districts (many of them outside the 80-inch rainfall line which roughly bounds the optimum palm belt) that land is at present available for new planting.

resources would seem to favour the policy of peasant plantations, there may be very stubborn social and psychological resistance. To be sure, there are some districts where the Natives, even before the Europeans began to teach them, had by their own choice refrained from planting their food crops among the palms. But there are far more numerous districts where public opinion resists every break with the tradition of haphazard agriculture: it condemns the newfangled methods of planting and cultivation as irreligious, or resists the tendency towards individualization of land tenure,¹ or suspects that the government has some sinister end in view—more taxation, perhaps, or the seizure of land for a forest reserve. Allowance must be made for the peculiar fragmentation of society in the south-east, and for the resulting administrative difficulties, and all the shortcomings and conflicts which have been analysed with such understanding by Miss Margery Perham.² All things considered, the best which the government can hope for at present is an attitude of 'cautious interest' which will make it possible for a few adventurous villagers to experiment with the new ways while the rest look on, holding themselves ready to laugh at the pioneers if they fail and to copy them if they succeed. Unfortunately, success has not hitherto signaled itself by any marked economic advantage to the pioneering individual. For this there are various reasons. Probably it is still too soon for the quantitative advantage of the new productive method to show itself clearly. It is only recently that the buying firms have begun to give a definite price advantage to the highest qualities of oil.³ Nor has

Economy of the soil through improved methods of food cultivation would, however, increase the area available for palms in many districts. ¹ See below, pp. 256-9.

² Margery Perham, *Native Administration in Nigeria* (O.U.P. 1937), chapters xiii-xvi.

³ Until recently the same price was paid for every grade of oil with F.F.A. content between 0-11 per cent. The U.A.C. now offers a premium of 5s. to 10s. a ton on oil with an F.F.A. content under 5 per cent. But this comes out at no more than 1d. to 2d. per kerosene tin. The various grades, with price at Umuahia, were in Feb. 1940 as follows:

	Percentage F.F.A.	Price at Umuahia
1st grade edible (used for margarine, best soaps; high glycerine value)	Under 5 per cent.	£8.
2nd grade edible (similar uses)	6-10 „	£7. 10s. 0d.
Soft oil (household soaps, &c.)	11-18 „	£6. 15s. 0d.
Semi-hard (wagon greases, tin-plate flux: little glycerine)	19-40 „	£5. 12s. 6d.
Hard (ditto)	Over 40 „	£4. 2s. 6d.

(Note: The better oils in the semi-hard class will be used with the soft oils for kitchen soap, &c. Transport costs mean an advance of £1 in the price on all grades at Port Harcourt.)

the government supported the propaganda of its agricultural officers by the offer of any tangible financial inducement.¹ As for the propaganda, it has too frequently been in unskilled hands. The district officers are preoccupied with the problems of law and justice and are ill informed about farming conditions in their districts. The European agricultural officers must give most of their time to research and experiment. The senior Native employees of the Agricultural Department are competent men, but they have many tasks to perform and there are too few of them to carry through the propaganda work persistently and systematically. Much of the work has to be left to the agricultural staff of the Native Administrations. It is badly paid and of poor quality and its recruitment is too frequently an affair of family jobbery.

We may now sum up. The Nigerian government refused to admit European planters into the palm belt, but it did not deny the need for drastic improvements of technical efficiency. On the contrary, it committed itself to the achievement of this efficiency within the framework of Native landownership. Thus did it declare its faith in the Nigerian peasant and his future. But faith without works does not suffice. The government has adopted a sound programme of policy; but despite persistent warnings from its agricultural experts it has failed to provide the finance and the staff and the resolute drive which alone can make the policy effective.

Nevertheless, the government and the producers still may count on a period of grace during which they may achieve more hopeful results, provided they realize the urgency of their need. The world demand for all varieties of oils and fats remains considerably stronger than the demand for many other raw materials or foodstuffs, and there is no immediate prospect of West African palm-oil being crowded off the market. West African palm-kernels have not as yet been seriously threatened with the loss of their primacy in the world market.² Moreover, there is a large internal trade in palm-oil. The

¹ The Cultivated Oil Palm Ordinance No. 17 of 1935 and Regulation No. 24 of 1935 made thereunder provide for full rebate of export duty to a 'planter' if his plot has been registered and his oil is under 5 per cent. F.F.A. If the oil is between 5 per cent. and 8 per cent. F.F.A., the rebate is nine-tenths of the duty. Owing to difficulties of administration and procedure this attempt to stimulate planting has been a dead letter. Mr. Bridges would favour far more positive government stimulus including a graduated money subsidy for Natives who plant, and a co-ordinated effort of propaganda on an entirely new scale. He also recommends government publication of market prices and commercial costs in order to combat the suspicion of the peasants that government neutrality or acquiescence is leaving them to an unfair price-dictation on the part of the firms.

² See Appendix B. Note also that Sierra Leone, which has virtually retired from the export business in palm-oil, still exports large quantities of kernels.

home consumption of Nigeria is probably little less than her export,¹ and it could be greatly increased, for there are large sections of the population whose diet is short in oils and fats. It follows that economic policy outside the palm belt (and particularly in the neglected middle districts of Nigeria) may in the future contribute a great deal to the well-being of the people inside the palm belt. We shall follow this line of thought later on. There is another line of thought, equally fruitful, which we may follow now by way of an example from Sierra Leone. The example will emphasize the great potential importance of intercolonial trade.

In recent years Sierra Leone has begun to supply the Gambia with the imports of rice which formerly used to come from Asia. It was with no thought of an export trade that the natives of Sierra Leone began to develop the rice-producing possibilities of their inland and coastal swamps. Nor was it government propaganda which opened their eyes to these possibilities. They had for centuries been producing rice on the uplands. In that environment it had proved itself a forest-wasting and soil-exhausting industry, which towards the end of the nineteenth century was yielding diminishing harvests one year in four or five. About 1880 a progressive Native farmer conceived the idea of establishing a rice plot in an inland swamp. He found that he could raise a crop every year without exhausting the soil. Other farmers followed his example. Some of them established their new farms in the tidal swamps. By 1931 there were 41,181 acres of tidal swamp and 3,302 acres of non-tidal swamp given over to the production of rice. By this time the Department of Agriculture was playing an active part in the development of the industry. It has helped farmers by advancing seed, by teaching them more economical methods of planting it, by establishing a central mill, by the formation of co-operatives for buying and selling.² At the same time it has undertaken a methodical survey, or rather a series of surveys, in order to guide the industry to the full limit of its possibilities. The survey-maps show with beautiful clarity the different classes of swamp land, indicating the areas which are unsuitable for rice growing and those which are already under cultivation or can be brought

¹ The Nigerian Department of Agriculture estimates the home consumption of oil at 130,000 tons: the highest export so far achieved (1936) was 163,000 tons.

² Very frequently the farmers sell their rice after harvest and later in the year buy back what they need for their own subsistence at double the price. The co-operatives were started about 1937: at present there are no more than four societies, with twenty-four farmers in each. There also exists a most interesting and quite spontaneous form of producers' co-operation: groups of farmers form 'working societies' which do the work of planting and harvesting on each farm in turn. Every society has its 'caller' who summons it when the time for planting or harvesting has come.

under cultivation. There is ample room for a great expansion of production.¹ And the markets which will absorb the production lie close at hand—not merely in the Gambia, but in other territories of British West Africa.

It must be admitted that the rice growers of Sierra Leone, in exporting to the Gambia, have enjoyed special advantages. They have been favoured by a preferential tariff, and by low milling rates which are in effect a concealed subsidy. Nevertheless, their industry offers a suggestive example of the results which might be achieved, both for nutrition and cash income, by planning on an intercolonial scale.² The industry also illustrates the great part which internal migration may play in easing maladjustments between population and natural resources. The development of rice cultivation in Sierra Leone has meant a movement of population from the uplands to the lowlands, and from the interior towards the coast. Economic forces have proved themselves stronger than Native land law. The British government recognizes Native land law: land in Sierra Leone belongs, not to the Crown, but to the 'people'—that is to say, it belongs to the tribal authorities of the separate chiefdoms into which the population is divided. In theory, strangers who come to settle in a chiefdom which is not their own cannot enjoy the secure rights of occupation which the established inhabitants enjoy. In practice, the strangers who have come down from the uplands to cultivate the swamps have easily and quickly achieved full security of occupation. In the Scarcies area, which was the scene of the first large immigration, there were large and empty chiefdoms which were glad to receive on any terms reinforcements to the tribute-paying population. Under these conditions the movement of migration benefited both parties. It also benefited the State, which saw new opportunities for regenerating the wasted forests and restoring the fertility of exhausted land in the areas which the emigrants had left. Similar migration movements have happened and are happening elsewhere.³ Africans, like Europeans,

¹ Very roughly, the different types of swamp are as follows: (a) mangrove swamp, which accounts for about four-fifths of the tidal area: if it is excessively brackish it is unfit for rice cultivation, but a great deal of it is fit; (b) raphia swamp, chiefly in the tidal area: most of it fit for cultivation; (c) grassland swamp, predominant in non-tidal area.

² Sierra Leone, however, would not appreciate planning which restricted its entry into cocoa growing.

³ For example, in Nigeria there is a steady northward advance of the Ibos out of the palm-forest area: they come as traders and settlers and they keep together, clinging to their own language and intermarrying with each other. The vigorous Tiv are also migrating north and west into the lands of their less vigorous neighbours. The immigrants must adapt themselves to the legal, linguistic, and social order of the Native Administration which they enter—until the day comes when they have acquired the predominance.

are ready to shift their homes in response to the push of economic adversity or the pull of economic promise. Governments may find a cure for the ills of depressed areas by taking action outside those areas as well as inside them.

Let us now consider the cocoa-growing districts of the Gold Coast and Nigeria. They, too, have during the present century received large accessions of population by immigration, and important movements of population are still taking place—for example, there is the steady establishment of new cocoa farms in the west-centre and west of the Gold Coast. The area of production in the Gold Coast has not yet reached its maximum. But the volume of production, it is quite possible, has already reached its peak. The cocoa industry is immeasurably larger than the rice industry; yet in some important respects its situation is far less healthy. There is a limit to the new land which can be brought into production. On the old land which has been in production for a generation or more there are already clear indications of a declining yield. An expert who visited the Gold Coast in 1936 warned the government and people that they would be facing disaster in the not very distant future unless they attacked the fundamental problems of production with an intelligence and resolution which they had not shown in the past.¹

Success came very easily to the cocoa growers of British West Africa. In the Gold Coast and Ashanti there is a very comfortable relation between population and resources. Despite a growth of numbers which is by African standards very rapid,² the average density to the square mile, according to the census of 1931, is as follows:

<i>Gold Coast Colony:</i>	Eastern Province	. . .	88.56
	Central Province	. . .	92.12
	Western Province	. . .	29.69
Average for all provinces	. . . . .	. . . . .	65.64
<i>Ashanti:</i>	Eastern Province	. . .	29.58
	Western Province	. . .	16.65
Average for both provinces	. . . . .	. . . . .	23.71

¹ Stockdale, *op. cit.*, p. 6.

² In the following table it is necessary to make allowances for the deficiencies of method in the earlier censuses.

	1891	1911	1921	1931	1938 (est.)
Colony	764,185	895,330	1,171,913	1,571,362	1,860,845
Ashanti	?	345,891	406,193	578,078	702,695
Northern Territories	?	307,724	530,355	717,275	852,792
Togoland	?	?	187,939	293,671	370,327
Total	?	?	2,160,671	3,160,386	3,786,659

According to these figures the increase between 1921 and 1931 was 37.6 per cent. The yearly increase is over 2 per cent.

In comparison with the congestion which occurs so frequently in the palm belt of south-eastern Nigeria, there is plenty of elbow-room in the closed forests¹ of the Gold Coast and Ashanti. It is comparatively easy to practise the traditional rotation of cropping and fallowing without exhausting the soil. The yield of food crops is ample for the subsistence of the farming families. To cap these advantages there is the natural suitability of the area for the production of cocoa.

There are in the closed forest to-day upwards of a quarter of a million of cocoa farms averaging between 4 and 5 acres in size. The periods of greatest expansion in cocoa planting roughly coincide with the periods of highly profitable market price. There has been a steady growth of the planted area throughout the whole forty-odd years during which the industry has been in existence; but the most notable forward leaps have been in the periods 1905-15, 1919-20, and 1926-8.

The intense preoccupation of the growers with the question of price has been emphasized in the preceding section. This preoccupation is natural enough. Since the war of 1914-18 the variations in price have been extreme, as the following figures show:

<i>Per ton c.i.f. London</i>		
January 1919	. .	£63. 10s. 0d.
" 1921	. .	£40. 0s. 0d.
" 1923	. .	£37. 10s. 0d.
" 1927	. .	£71. 0s. 0d.
" 1928	. .	£56. 15s. 0d.
" 1930	. .	£39. 15s. 0d.
" 1931	. .	£34. 10s. 0d.
" 1934	. .	£20. 0s. 0d.
" 1937	. .	£55. 0s. 0d.
" 1938	. .	£27. 5s. 0d.
" 1939	. .	£21. 6s. 8d.

These violent changes in the market price drastically affect the national income and revenue: for example, the sale of 236,203 tons in 1937 fetched nearly 10 million pounds, while the sale of 263,229 tons in 1938 brought in little more than 4½ million pounds. No wonder the producers follow the ups and downs of the market with continuous concentration of interest and rapidly changing moods of complacency, bewilderment, suspicion, and chagrin.

It is nevertheless unfortunate that the producers—and the government also—have not had more attention to spare for the problems of production as distinct from the problem of market price. Favourable terms of trade during the first two decades of the twentieth

¹ This term is used to describe the high rainfall areas where the tropical forest is, under natural conditions, continuous.

century induced in them a happy-go-lucky mood. The problems arising from the shipping shortage of 1917-18 caused some misgivings; but these quickly passed, and at the end of the war the administration with great complacency declared: 'The soil of this Colony appears to have an affinity for cocoa production which defies all the gloomy prognostications of the experts.'¹ It would in these circumstances have been surprising if the farmers had paid any attention to the gloomy prognostications of the experts. They were able to grow rich (by peasant standards²) without taking very much trouble. Their hardest tasks came at the beginning, when they had to fell and burn the high forest and plant the young trees. For two or three years after planting they cultivated the new plot for food crops; thereafter they left the cocoa trees undisturbed. They did not cultivate the soil or drain it, nor did they prune the trees. Their harvesting was hardly less perfunctory than their cultivation.

It was the deficiency in quality due to bad harvesting and fermenting which first alarmed the government. The Department of Agriculture set itself to repair the damage by instituting schemes of grading and inspection, and by promoting the co-operative movement.³ Unfortunately, its head became so absorbed in these activities that he neglected the basic problems of agricultural science. The gentle admonitions of visiting agriculturalists passed unheeded. At last, in 1936, a Colonial Office expert spoke sharply. 'The Gold Coast', he reported, '... with the largest cacao industry in the world, is still contented with the present and is taking no steps to safeguard the future.'⁴ Two years later the scientists in the department were at last given their chance: a modern research station was established at New Tafo.

The immediate problem which the research workers have to face is 'die-back'. This is due to various causes. There is first of all the disease of black pod, which can be traced to neglect at harvest time. If overripe pods are left on the tree an infection penetrates the cushion from which the next year's pods will spring, so that the pods are born with the sickness in them. Unless the infection is stopped it will spread until the tree dies.⁵ Another infliction, sahlbargella,

¹ *Report on the Blue Book for 1918*, p. 7.

² See pp. 277-8 below for analysis of income in a typical cocoa-growing village.

³ See p. 227 above.

⁴ Stockdale, *op. cit.*, p. 6. Sir Frank Stockdale had as early as 1929 drawn attention to the need for research: in 1935 Professor Shepherd repeated the warning.

⁵ The death of trees due to black pod reached very high levels after the shipping shortage of 1917-18, when the natives frequently left the pods to ripen and rot on the trees.

is peculiar to West Africa. Sahlbargella is a small sucking insect which attacks pods, shoots, and leaves; if its attacks are persistently renewed (and this frequently happens) they cause the death of the tree. A third disease, which in recent years has occasioned very great alarm, is swollen shoot. Until lately it was often assumed that swollen shoot was caused by a diminution of humidity and was therefore to be associated with deforestation.¹ Research at New Tafo and elsewhere has revealed that the cause is not so simple: swollen shoot is a transmissible disease, though whether it is transmitted by friction or by an insect or by some other means is not yet established.²

There is another cause of 'die-back' which does not call for patient and complicated research: this cause is drought. Although it can no longer be asserted that a failure of humidity is the cause of swollen shoot, there is no doubt that the future well-being of the West African cocoa areas depends in very large measure on the maintenance of the climatic conditions associated with the damp tropical forest. This means that the Department of Forestry will count as much in the success or failure of agricultural policy as the Department of Agriculture. And in the last resort the efforts of both departments will depend upon the support which their political masters are willing to give them.

It was not until 1909 that the government of the Gold Coast took any effective steps to protect the forests. In that year it instituted a Department of Forestry, which immediately undertook the task of framing protective legislation. But the chiefs and lawyers of the Aborigines' Rights Protection Society denounced this proposed legislation as a sinister attempt to filch away the people's land. The Secretary of State thereupon held up the Bill pending expert report. The expert who was sent out to report concluded that the opposition offered by the chiefs was 'devoid of any substantial foundation'.³ The Secretary of State thereupon set up a committee to report at far greater length. The outbreak of war in 1914 interrupted the labours of this committee. It also interrupted the labours of the Department of Forestry. On 1st January 1916 the government closed it down for the duration of the war.

¹ See *Swollen Shoot of Cacao. Report on Mr. H. A. Dade's visit to the Gold Coast.* Gold Coast No. V of 1937.

² The swelling on the shoot is due to the multiplication of cells which in themselves are healthy: the swelling is not itself the disease, but the symptom of the presence of an unknown virus. I have recently been told that the virus is now known to be insect-borne.

³ Belfield Report (Cd. 6728 of 1912), para. 167. See also above, pp. 182-5.

This was not a very good beginning for forestry in the Gold Coast. However, in 1919 the department was resuscitated. Its problem was to persuade the government to put its authority behind definite principles and precise rules of forest administration. The government feared that a cry against 'interference with the people's land' would again be raised: it therefore adopted a policy of endeavouring to persuade chiefs to pass by-laws for the protection of their forests. Some of the chiefs passed by-laws, but very few of them enforced them. In 1924 the Governor warned the chiefs that unless they made far better progress in establishing forest reserves and in administering them, it would be necessary for the central administration to assume direct authority by means of a Forest Ordinance. In 1925 and again in 1926 the Governor repeated this warning. In 1927 the Forest Ordinance was at last passed. It does not supersede the constitution and management of forest reserves by by-laws of the Native authorities, but it gives the central government power to act if the Native authorities are negligent. Since 1927, therefore, the Department of Forestry has had some degree of assurance that the policy which it knows to be necessary and right will not be frustrated by individual interests and public apathy.

Forestry policy in the Gold Coast has two aims: the protection of natural resources and the profitable exploitation of forest products. Corresponding to these two aims, two kinds of forest reserve are envisaged: reserves of indirect utility and reserves of direct utility. In the present stage of development the former are the chief concern of the department. A long-term plan has been made for the whole country so that headwaters may be protected and the inward drift of dry conditions arrested by means of barrier and shelterbelt reserves. Making allowance for the late start, a good deal has been achieved. The departmental report for 1932-3 estimated that 25,540 square miles were subject to forest influence, and that 13,900 square miles still remained under forest. It expressed the hope that 6,500 square miles might be definitely reserved. The report for 1938-9 estimated that a total of 5,832 square miles had been already constituted or approved as forest reserves. Considerable progress had thus been made in realizing the hopes of 1932. These hopes, however, were an estimate of the possible rather than a statement of the desirable. In the Koforidua district, which is the source of approximately two-fifths of the Gold Coast's cocoa, it would in the opinion of the forestry experts be desirable to reserve 26.2 per cent. of the closed forest zone. Only 8.66 per cent. of this zone has been reserved. And it is now too late to achieve very much in narrowing the gap between the ideal and

the actual. Much of the land which should have been reserved is already farmed so heavily that reservation is impossible. A barrier reserve which figures prominently on the blue print is broken by the Bisa gap, a tract of country intensively farmed for cocoa and food. Through this gap the dry harmattan blows as if through a funnel. Across the Volta river the original high forest has long since given place to secondary scrub. The foresters are not able to plan ideal defences for the cocoa-growing areas: they must hold the front line where they can and for the rest strengthen the secondary defences. This must for a considerable time to come be their main preoccupation. They are too few in number, and too much preoccupied with the general strategy of conservation, to have time to study, as they should study, the problems of West African silviculture. Nor have they as yet been able to touch more than the fringes of forest utilization. They have made a forest policy and got it moving. That is a good deal. The day when forest policy will become active forestry has not yet arrived.

There is no space to examine at greater length problems of production in the wet coastal areas, where the industries so far considered—palm-oil, rice, and cocoa—are all located. It is time to turn to the drier and more open districts which lie inland. And to begin with, a paragraph must be spared for the Northern Territories of the Gold Coast. They are a poor relation of the Colony and Ashanti. They have enjoyed very few of the material benefits which participation in the international division of labour has heaped upon the cocoa-producing areas. Like the under-developed territories which lie on the fringes of South Africa and Southern Rhodesia, they supplement the meagre income which they produce at home by exporting labour to the mines and farms of the south. This labour traffic has been until recently a painful, haphazard, and ill-directed business; but in April 1938 the Government of the Gold Coast established a skeleton Department of Labour charged with the duty of studying the situation and of preparing more methodical and more humane arrangements.¹ There exists one other department of government whose work is of great importance for the Northern Territories. This is the Department of Animal Health. It was established at the beginning of the nineteen-thirties, and at the end of them its professional staff amounted to

¹ See the first *Report of the Labour Department (1938-9)* which includes a general survey of labour conditions on the Gold Coast. It has been discovered that a smaller proportion of the labour in the Gold Coast mines comes from the Northern Territories than had hitherto been thought. The numbers are nevertheless considerable, and a promising beginning has been made, on the lines recommended in the *Report*, in improving conditions of travel and reception.

eight. In this short time and with this scanty establishment it has achieved notable results, particularly in the immunization of stock against rinderpest and pleuro-pneumonia. But it has hitherto lacked the time and the resources to conquer the great difficulties and seize the great opportunities which confront it in the Northern Territories. The cocoa-growing areas of the south are potentially a great market for meat. Hitherto the market has been too much neglected.¹ The population of the mining and farming areas subsists upon a diet which is chronically deficient in animal products.² Research into trypanosomiasis and the breeding of new types of stock will some day enable the north to produce good meat and milk on a large scale. It will then be able to share the benefits arising from the division of labour by exporting something more valuable than its labour. But this day will not come quickly unless the government of the Gold Coast shows itself willing—or, it might be fairer to say, able—to spend far more thought and energy and money in developing the Northern Territories than it has spent in the past.³

The Northern Territories of the Gold Coast lie almost entirely in the tsetse-infested area: they correspond geographically with the under-developed middle zone of Nigeria. The area known as the Northern Provinces of Nigeria is from every point of view—geographical, cultural, and economic—differently constituted.⁴ It is the region of Hausa speech, Mohammedan religion, and Fulani rule. It is the homeland of those notable experiments in human government by which Lord Lugard endowed British West Africa with its political ideal and method. It is a land of dry heat, fertile soil, and close concentrations of population.⁵ It is connected by its past with the

¹ *Report on the Department of Animal Health for the year 1938-39* (Gold Coast, 1939), p. 1: 'So badly is the meat trade organized that the large coastal towns, except Accra and Sekondi, rarely see fresh meat, and there is a good potential market there. Normally the import cattle are all sold long before they get near these centres.' This statement is perhaps rather too sweeping; the slaughter-house returns show an appreciable consumption of meat, including beef. Most of the cattle sold from the north to the south are the zebu cattle from the French territories (about 35,000 in a year). The cattle from the Northern Territories are almost entirely of the dwarf variety: at present only a few thousands are sold south. Stockdale, *op. cit.*, pp. 75-84, gives a general review of the pastoral and agricultural problems and opportunities of the Northern Territories.

² See *Economic Advisory Council. Committee on Nutrition in the Colonial Empire*. Cmd. 6050-1 of 1939, part 1, paras. 20-3, 55-9; part ii, paras. 35-42.

³ Stockdale, *loc. cit.*

⁴ The small area around Zuanguru in the north-west of the Northern Territories of the Gold Coast is an exception: it belongs to the same class as Northern Nigeria.

⁵ According to the 1931 census the population of Nigeria was 20,476,795, of which approximately 11½ millions were in Northern Nigeria. It is in the north centre that

great movements of Arabian and North African history: the economic development of recent decades has joined it to the modern society of production and exchange.

The goatskins of Northern Nigeria for many centuries were transformed by the tanners of Kano and Katsina into the famous leather which European buyers called 'Morocco'. The scale of this business fell far short of its fame. In the present century the enterprise of the European trading concerns in Northern Nigeria has started a large-scale business of exporting to European tanneries not only the goatskins, but also the sheepskins and cattle hides produced by the flocks and herds of the country.¹ In safeguarding and developing this industry the Veterinary Department has already played a great part, and will in the future play a greater one. Some time ago the Nigerian hides and skins were ceasing to satisfy markets which were becoming more insistent on high quality. Skins which are carelessly flayed and imperfectly dried will putrefy; skins which are dried on the ground will ruckle up and crack. A plan of supervision instituted by the Veterinary Department and operated under its direction by the Native Administrations has done something to bring these evils under control. A more stringent plan of compulsory inspection has recently been drawn up by the Veterinary Department and endorsed by the European firms, which are willing to contribute to its cost through a cess on exports. The Veterinary Department has rendered another great service to the hides and skins industry by its campaign of inoculation, which has to all intents and purposes eliminated rinderpest.² There still remains a great deal which the department could do immediately—if it had the staff and the money—to help the hides and skins industry, to encourage native tanners,

population is thickest: in the dry provinces of Bornu and Sokoto, to east and west, it is relatively sparse.

¹ In 1938 the export trade in hides and skins was worth approximately £516,000, and ranked sixth on the list of Nigerian exports.

² Rinderpest leaves spots on the hides which become holes in tanning. About 400,000 inoculations are administered every year: if this precaution were relaxed the disease would undoubtedly become a menace again, though co-operation of all African governments (especially French and British) would be able to expel it from Africa. It is a modern importation, blamed sometimes upon the animal transport of the British armies in the Nile valley and sometimes upon that of the Italians in Somaliland. Its original habitat was Asia, Russia, and the Balkans. In the early eighteenth century it swept southward over all Africa. Lugard describes the horrible catastrophe which it caused in East Africa, Sharp tells the same story about its effect in Nyasaland. Its ruinous progress was finally arrested, not by quarantine (which always failed), but by the campaign of prophylactic immunization initiated in the Cape. West Africa is fortunately free from 'East Coast fever' which is one of the major problems of Kenya. It has to reckon, however, with black-quarter fever and pleuro-pneumonia: the Veterinary Department of Nigeria inoculates against these diseases also.

and to improve animal health. And it has as yet only touched the fringes of opportunity in the development of an internal trade in animal products. During the past year or two a small dairy run by the department at Vom has demonstrated the possibility of producing good butter at a reasonable price. There exists already in south-eastern Nigeria a market for beef cattle which are trekked down from Adamawa province. But these and other markets could be developed a hundredfold if there were adequate provision for transport, refrigeration, and storage. Bornu province in the far north-east of Nigeria is a territory as large as Ireland. It already carries a million head of cattle. The problem of its development is usually discussed as a problem of extending the commercial production of ground-nuts by the provision of better road and rail services. It may well be that the future of Bornu province will be predominantly a pastoral one: improved transport and sub-artesian water would dramatically increase its capacity to supplement the protein-deficient diets of the southern populations.

No adequate sociological study has ever been made of the nomadic Fulani, who follow the changing seasons northward and southward and are the chief producers of Nigeria's pastoral wealth.¹ Analogies of their strange economy and manner of life may be found in the economic history of medieval Europe: the flock-owners of Spain were once wanderers, who, as they moved from one agricultural district to another, found hospitality which was sometimes reluctant, but sometimes (among peasants who appreciated the value of manure) competitive and eager. In the course of centuries the Spanish flock masters settled down in fixed locations. Doubtless the pastoral Fulani of Nigeria will some day be compelled to do the same.² When that happens they will begin to grow their own food crops. They will then no longer be a separate people with a separate way of life. They will have become mixed farmers.

It is one of the chief aims of the Department of Agriculture to

¹ I am told that a survey of the pastoral Fulani of Sokoto has been made by a district officer, Mr. Sharwood Smith: I have not, however, seen his work.

² It is said that the seasonal migrations of the Fulani are already year by year becoming perceptibly less extensive, and that 'Giddam Fulani' (permanent or quasi-permanent settlers) are becoming more frequent. Miss Margery Perham has pointed out to me, however, that for many centuries the Fulani have been in process of absorption along their great belt of Africa, and that this does not naturally tend towards 'mixed farming' in our sense of the term. She observes that there are close analogies in East Africa, where the settlement of cattle people, at least to begin with, means very bad farming. Positive educational effort by the administration may find a solution, but in Nigeria the Department of Agriculture has not as yet discovered an approach to which the Fulani respond.

establish mixed farming in Northern Nigeria. It seeks, however, to achieve this aim by introducing animal husbandry among the settled agriculturalists. The departmental report for 1932 enumerated the methods and advantages of mixed farming in the following almost lyrical terms:

'It means the ploughing of a farm of twelve acres or a little more with a pair of bulls or bullocks, instead of farming three or four acres by hand. It also includes the making and use of farm-yard manure, with consequent heavier crops. It results, as farmers have already very clearly shown, in more timely planting of crops, more thorough cultivation and more weeding of crops. To the workers it means walking behind a pair of bullocks driving a plough or cultivator for six hours a day instead of ten hours' gruelling work with the hoe or 'galma'. To the farmer's family it means rapid elevation to a totally different level of prosperity and well-being.'¹

If one may add another item to this catalogue of benefits, mixed farming also means (and there are many who think this is its chief meaning) the conservation of soil fertility, which in the last generation has been menaced by the rapid commercial development of the ground-nut and cotton crops. On a farm of 12 acres two draught animals properly penned will provide manure which is sufficient (when supplemented by the compound manure) for the dressing of 4 acres. These 4 acres will produce the guinea corn and millet or the other food crops which the farming family needs for its own consumption. The remaining 8 acres will be devoted to ground-nuts or cotton, according to the advantages (of soil and price) which recommend one cash crop or the other. If there is rotation of the manuring and planting the whole 12 acres will be dressed within three years. Fertility will thus be maintained.

This system cannot be indiscriminately applied throughout the whole of Northern Nigeria. Variations in the density of population would alone make the attempt an impossible one. There are notable concentrations of population in and around the capital cities of the emirates: the population at a distance from these centres becomes relatively sparse. If in imagination we take our stand at Kano, we can in rough-and-ready fashion distinguish three concentric zones. The first zone we may call the home-farm zone, or the donkey zone: its radius is about 15 miles, the distance which a donkey can twice cover in one day, carrying a load of produce to the city in the morning and returning to the home farm in the evening. The population density in this zone varies between 200 and 300 to the square mile. The tax

¹ *Report of the Agricultural Department for the year 1932*, p. 14.

assessment figures show that the farms are on an average less than 4 acres in size, far too small for crop rotation. But the standard of farming is high, and was high long before the British came to the north. Good cultivation and careful manuring have enabled the peasant farmers to fulfil their double function of feeding their own families, and supplying Kano's markets, without exhausting the soil. There is not very much teaching which the agricultural officials can give to the inhabitants of this zone.¹

But the situation in the second zone is very different. Its outer limit may be very roughly traced about forty miles around Kano: its population density is about 200 to the square mile on the inner edge and 100 on the outer edge. The size of the average farm would be a bit more than 10 acres—large enough to make mixed farming possible. But the farmers are unresponsive to the propaganda of the agricultural officials. They are close enough to Kano to have developed a very marked zest for trade, and their farms are large enough to support them without careful cultivation. Mixed farming demands assiduous work on the land all the year round, and these quasi-traders have a different idea of what constitutes a good life. They plant food crops for their own needs, and put the rest of their land under ground-nuts, growing them year after year with slovenly cultivation and without manure. Ground-nuts have a deservedly high reputation as a nitrogen restoring crop; but they cannot perform miracles. In this second zone, continuous cropping of the soil without manuring has already caused greatly diminished yields and serious soil exhaustion.²

Beyond the forty-mile radius begins a third zone, with a population density which begins roughly at 100 to the square mile and descends to 50. Here the people are real farmers, though their standards of achievement are far lower than those of the peasants round Kano. They have as a rule plenty of elbow-room, and it has been their practice to keep the manured land around the compounds in continuous cultivation and to crop the rest with fallowings whose duration

¹ The Agricultural Department for a time planned to develop irrigation around Kano, but the rainfall is sufficiently reliable to render this plan—considering its cost—unnecessary. The department has helped to extend the dietary range by popularizing new plants (e.g. lettuce, carrots, and tomatoes), and hopes to introduce milk by finding room on the medium or larger farms (5 acres or more) for a cow. It has also shown that goats (which are already common) will produce more valuable manure if they are penned on a platform above a bedding of straw.

² Much of this country is beginning to *look* exhausted; even the grass and bush show signs of regenerative failure. Nitrogen is taken from the soil by cutting the ground-nut tops for hay. There are, however, indications that the loss of phosphates is the more serious cause of trouble.

varies according to the amount of land at their disposal.¹ It is in this zone that the campaign for mixed farming has achieved its largest instalments of success.

How shall the success be measured? It was in 1922 that the Nigerian Department of Agriculture adopted the policy of mixed farming. Eighteen years later the number of mixed farmers in Northern Nigeria was about 1,600. This total is not very impressive. It is necessary, however, to reckon with the difficulties which the department has had to face and the method which it has chosen to follow. Among the difficulties there is the problem of credit. A farmer who is willing to experiment in the new ways must find capital—two ploughing oxen and a plough, a cultivator, ropes, and so on. This equipment will cost him about £9. He cannot possibly raise this sum by his own efforts. Experience has proved that it is unsound to advance him the money without charging interest:

‘It was expected by the agricultural officers, and was soon proved in practice, that to advance money without charging interest was simply to invite certain failure. If a borrower does not pay interest he has no incentive to make shift with the maximum loan at first, nor repay it later. Repayments had therefore either to be extorted by pressure or else foregone: the former naturally tended to make the system unpopular, the latter would reduce the loans to gifts. In economic affairs philanthropy is worse for the receiver than the giver.’²

When, however, it had been decided to charge interest, a difficulty arose: Mohammedan law forbids interest—though it is admitted that the Mohammedans of Northern Nigeria frequently charge it and pay it in their business dealings with each other. Still, public authorities feel (feeling is the same in modern Nigeria as it was in medieval Europe) that they must be careful and correct in these ticklish matters. Consultation between the British administrators and the Mohammedan emirs of Northern Nigeria has succeeded in finding a way out of the difficulty. The mixed farmer gets his equipment through a hire-purchase scheme which contains all the economic and moral advantages of a system of interest, without having to carry the scandal of its name. The ingenuity of European peoples, five centuries or so earlier, in a very similar fashion adjusted the claims of conscience to the dictates of economic change.³

¹ On the more thickly populated inner edge of this third zone the period of fallow may sometimes last no more than a year: on the more sparsely populated outer edge four-year fallows are common.

² *Report of the Agricultural Department for the Year 1932*, p. 18.

³ The hire-purchase scheme is as follows. No money is advanced at all, but bullocks and implements are supplied by the Native Administration. The farmer makes an

This is only one example of the manner in which native conservatism and official correctitude can slow down the advance of economic experiment. Things must be done deliberately and in due order: it would be indiscreet to begin a campaign by picking out the most progressive farmers: emirs and chiefs and headmen must be approached and persuaded first. This method perhaps ensures that the foundations of progress are soundly laid and that quick results will follow later. But it certainly makes the beginnings slow.

In addition, the agricultural experts have had their own special reasons for favouring a cautious start. For one thing, they have been determined to keep all the separate elements of the advance in line with each other. By concentrating on distribution of ploughs they could have achieved a great short-run increase of production, but a multiplication of ploughs without a proportionate increase in the use of manure might well have turned a great part of Northern Nigeria into a dust-bowl. The Department of Agriculture envisaged nothing less than an agricultural revolution: for this very reason it wished to be certain that it could carry the people with it. It wished to prove that the technical revolution could be achieved without causing a social and psychological upheaval. Above all, it wished to prove beyond any shadow of doubt that the new methods were profitable and practicable. Otherwise it dared not take the responsibility of recommending them to the native farmers.

The period of proof and the first phase of propaganda are now closed. It will before long be possible to know for certain whether the Department of Agriculture has been right or wrong in anticipating an ensuing period of rapid progress.¹

immediate payment of 5s. in acknowledgement of his debt and promises to pay the total sum in instalments over a three-year period. Until the payments are completed the implements and stock belong to the Native Administration and the farmer pays a hiring charge, in addition to the purchase price.

¹ Among the factors which may still retard progress are (1) organization, e.g. the purchase, training, and inoculation of cattle for the use of a people traditionally unfamiliar with them; (2) economic reasons: it would be unsound to hurry on mixed farming at a time when cattle prices are high and ground-nut prices are low or falling. In the north, as in the south, price depressions slow up the advance in new methods. From the point of view of the public interest, a downward trend in prices makes the reform of agricultural technique still more necessary; but, from the point of view of the individual, both inducement and capacity to change seem to be weakened. This has been the experience both in the ground-nut and palm areas.

It is the present policy of the Department of Agriculture in the north to establish strong nuclei of mixed farmers, rather than to disperse the effort over many scattered areas. This facilitates supervision (which in the early days is important) and encourages the hope that education will later on spread by the mere example of the successful villages. In the village of Bomo near the agricultural station of Smaru there are 50 village compounds, and 22 mixed farmers already established.

There is no doubt that it is sound policy to test every crop and every new method before launching propaganda among the Native farmers. If the European expert is to guide the farmers into new ways, he must win their confidence; and he will not do so if he lands them in difficulties by hurrying them into dubious experiments. The European is not always right. His forecastings of price movements may quite likely turn out to be wrong. A Director of Agriculture once confessed that if on the basis of the statistical position at the opening of the season he had urged the Natives to grow the crop which seemed likely to be most profitable, he would in three successive years have been wrong. There was a time when impetuous officials in Northern Nigeria instructed the farmers to keep their fields clean; but they have found out since that the traditional practice of leaving weeds in the crop during the growing season gives a necessary cover to the soil. Sometimes Natives have by their own enterprise discovered profitable crops and sound methods of cultivation: we saw an example of this in the rice industry of Sierra Leone. The benniseed industry which the vigorous Tiv people have developed south of the Benue affords another example. In the days before Nigeria possessed an Agricultural Department the British Cotton Growing Association tried hard to persuade the Tiv to give up benniseed and grow cotton. But the obstinate Tiv would not be persuaded—with the result that they have prospered very much more than they would have done had they followed the white man's advice. Quite recently the same people have profited by another industry which the white man did not foresee. It had been their custom for many years to pack their benniseed in sacks made out of the palms which grow along their river banks. The outbreak of war in September 1939 caused a general shortage of sacks in Nigeria. The managers of exporting firms then discovered that the Tiv could put on the market an article which was not only cheaper but very much stronger than the imported jute sacks. The new industry has come to stay—provided the Tiv can be persuaded to turn out regular supplies of sacks at a standard size, and can be prevented from cutting down too many of the palms which are the raw material of their industry.

The recent agricultural history of an adjoining area in Nigeria's pagan middle belt offers the contrary example of a promising industry which—through no fault of the local officials—was almost ruined because the Native was given bad advice. The industry was ginger, and it was started early in the nineteen-thirties. Since nobody in Nigeria had experience in growing and handling this commodity, the Department of Agriculture worked to standards supplied by the

Imperial Institute. It was warned to pay particular attention to pungency, the size of the root-fingers, and colour. It was told that the market wanted a buff colour, which was to be achieved by methodical scraping and washing. It was not, however, told that the health authorities demanded a standard content of water-soluble ash, which too frequent washing would most certainly remove. Nigeria knew nothing of this requirement until news came that a little English grocer had been prosecuted under the Health Acts for selling Nigerian ginger: the agricultural officials suddenly found themselves compelled to forbid the growers to do those very things which for years they had been urging them to do. No wonder there was a sudden curtailment of the acreage under ginger and of the cash income which had begun to bring new hope into an impoverished district. The work had to be begun all over again: it says a good deal both for the white men and the pagans that it is now shaping promisingly.¹

The middle belt of Nigeria, like the Northern Territories of the Gold Coast, needs the cash and the confidence which promising crops like benniseed and ginger bring to the people: it needs better cultivation of food crops like guinea corn and millet;² it needs tsetse-resistant cattle and better transport. It is a depopulated region³ which in the old days was raided by the slavers both from the north and from the south. Some of its inhabitants, like the Tiv (a Bantu people), are confident and enterprising, but many of them are shy and backward. There was a time when it was considered almost a punishment to send a political officer into the pagan areas: there was another time when pagans became quite fashionable with the higher administration. But pagan agriculture has always been denied its fair share of attention and aid. Political officers on the tin-mining plateau have asked repeatedly for an agricultural officer; but there is none to spare. This is due, no doubt, to shortage of finance and staff. The result is unfortunate. Some work is being undertaken in the Niger, Benue, and Ilam provinces; but generally speaking the middle belt of Nigeria remains a neglected area. Yet it is likely that development in this area would have very marked effects on the progress of Nigeria as a whole. It is an area which has great potential capacity

¹ Credit must also be given to the Imperial Institute for making strenuous efforts to repair its error, and to the trading firms, which continued to buy Nigerian ginger for blending.

² According to Stockdale (*op. cit.*) the cultivation of yams in the Northern Territories is already very good indeed.

³ In parts of Kantagora the density is no more than 2 to the square mile; but there are patches of relatively thick population among the hills where the pagans could fend off the slavers. Depopulation facilitated the spread of tsetse, which in turn caused more depopulation.

to absorb surplus population from the crowded districts of the south-east and surplus products both from the south and the north. So long as it stagnates, it must slow up the movement of internal trade; but a resolute policy which would lift it and set it moving would quicken the rhythm of economic progress throughout the whole country.

It is now time to attempt a more general view of the problems of production. The chief commercial crops and the chief economic areas of British West Africa have been rapidly surveyed. Each crop and each area has its own individual problems, which are diverse and complicated; but all these special problems of product and locality are interlocked with wider economic problems. Agriculture raises the basic questions of development; but agriculture cannot be treated in isolation. It has already been shown in this section that the work of foresters and veterinary officers bears closely upon the problems of rural development. If there were time, it would be possible to show in detail how closely the work of other departments bears upon economic progress and policy. A very quick review of some aspects of the work of some departments will indicate the significance of their actual or potential economic contribution, if not its extent.

It would be easy to enlarge on the economic consequences of education—or the lack of education. In 1938–9 Nigeria's expenditure per head on education was *5d.* in the south and *2½d.* in the north. The Department of Agriculture has more than once reported that its progress has been slowed up because of a deficiency of youths with an educational preparation adequate for training as agricultural assistants. Apart from this, it is plain that the Department of Education could do a very great deal—assuming that leadership and finance were forthcoming—to raise the standards of agriculture by injecting enterprising agricultural teaching into the school curriculum. This aspect of educational policy is emphasized because, though its importance is obvious, it has until recently received far too little attention.¹ The services which technical and general education may render in raising the whole level of economic efficiency do not require emphasis.

¹ In Nigeria during the past two years very close relations have been established in the south between the Departments of Agriculture and Education, and there are clear signs that agriculture will in the future be given its proper place in the curriculum. The prospect is not yet so encouraging in the Northern Provinces of Nigeria. It should be emphasized that in London a very strong committee of officials and non-officials is continuously studying and reviewing educational policy in the Colonial Empire.

Medical work also possesses considerable economic significance. A special example is the project of tsetse investigation, which has the most direct and important bearing upon veterinary and agricultural problems, and which has been entrusted, in Nigeria, to medical officers. However, the argument need not be proved by special cases. The annual expenditure on the health of the Nigerian people amounts to 6½*d.* per head, which is quite inadequate for combating the staggering losses of economic efficiency due to disease and low vitality.

Nigeria possesses a Department of Mining and a skeleton Department of Geological Survey. The latter has for many years been almost entirely occupied with the problem of sub-artesian water. The great contribution which well-sinking may make to the development of Bornu and similar dry areas has already been emphasized. Nevertheless, there are more various and extended activities which the Department of Geological Survey might profitably undertake, if it possessed the staff and the finance. In the past, mineral development in most of the territories of Africa has been left almost entirely to private enterprise; but even if the future conforms in this matter to the past, governments will nevertheless have the duty of expanding and classifying the geological knowledge which should become increasingly the background and support of mineral exploration and development. The present chapter has in a general way emphasized the importance of mineral production to the economic effort of the West African territories, particularly during times of agricultural slump on the world markets. More detailed studies can be found in other books.¹ These should be consulted in order to correct the balance of the present chapter. Even at the time of writing, very promising indications of petroleum are being explored in south-eastern Nigeria; this work may have a most important bearing on economic prospects in that difficult area, and, indeed, in the whole country.

To close this rapid survey of the diverse governmental activities bearing upon economic policy, mention may be made of the problems of transport and communications. In Nigeria, particularly, these problems are so complicated and vexing—they involve adjustment between public and private enterprise, and between services by rail, river, and road—that they cannot possibly be dealt with in the space available here. One aspect only may be emphasized. The government of Nigeria has already recognized the urgent need for co-ordinating the services rendered by the different transport agencies,

¹ Notably in Professor Frankel's *Capital Investment in Africa*, and in Professor Macmillan's contribution to *Europe and West Africa* (Heath Clark Lectures 1939: Oxford University Press).

and has devoted considerable study to ways and means. Does not the problem of establishing co-ordination in transport policy raise the larger problem of co-ordinating the activities of all departments and agencies which are concerned with economic policy? An example may be cited from Bornu province. The railway authorities have submitted a plan of improved communications which would lead to a considerable expansion of the ground-nut industry. But it does not fall within the province of railway officials to study the world market for oils and fats, or to make themselves expert in matters of soil conservation and climatic environment. It may well be that the people of Bornu province, and of Nigeria as a whole, may enjoy a more prosperous and secure future if the government decides to concentrate upon the development of Bornu's pastoral industry rather than upon increasing the acreage of an export crop. The Department of Agriculture, the Veterinary Department, and the Department of Geological Survey have their special and essential contributions to make to the proper understanding of the problem. These contributions need to be elicited, criticized, and fused with the main purposes of Nigeria's economic policy. But it is doubtful whether this higher co-ordination can be achieved without important changes in the machinery of government and the growth of a new outlook and alertness among the personnel.

By tradition, the attention of the administrations of British West Africa has been concentrated on the problem of securing just and popular government, and upon the technique of indirect rule which has been adopted as the most appropriate means to this end. The achievement has been very great. But it will be jeopardized unless the Native Administrations and the European officials who give them guidance show themselves capable of solving the more pressing economic problems and thereby delivering those tangible goods which the people increasingly demand—better education, improved health, and the prospect of liberation from the ancient curse of abject poverty. Until quite recently, officials and writers have not paid sufficient attention to these matters. Anthropology has been the fashionable study, and it has been encouraged by intelligent administrators because of the help it can give them in improving the mechanism of indirect rule. This is all to the good. The partnership between anthropologists and administrators is a happy one. But it is a pity that the economists have not also been called in.

Nowadays, however, there are encouraging signs of change. The anthropologists themselves have begun to give more attention to

the economic life of Native communities, and to the systems of land tenure in which this life is set.¹ Students of government have emphasized the importance of the economic problems discussed in this chapter.² And the practitioners of government have shown plainly that they are moving in the same direction. In 1929 the Colonial Development Fund was established, and about the same time a special section was organized in the Colonial Office for the study and formulation of economic policy. Colonial governors nowadays have a more positive conception of economic policy than was common ten years ago. They frequently insist—many declarations could be quoted—that indirect rule is not an end in itself, but only a means to good government. And some of them show themselves aware that good government means, not least, a government capable of grappling with fundamental economic problems. Undoubtedly it also means a government which, by employing institutions and methods congenial to Native opinion, grounds itself firmly upon the consent of the governed. This may sometimes limit the freedom of administrations to carry through their economic programmes speedily and smoothly. In British West Africa the progress of economic policy, even when it has seemed slow, has sometimes been as fast as the people could bear. The Veterinary Department of Nigeria had to overcome the prejudices of the Fulani before it could inaugurate its great campaign of inoculation against rinderpest. The Department of Agriculture has had to reckon with the vested interests of the women in the cracking of palm kernels. The Forestry Department still has in front of it the task of winning public approval for many measures of conservation and development which are in the public interest. The next section of this chapter will give other examples of the very real tension between the need for economic progress and the inhibitions imposed by custom. From all these facts the conclusion follows that the traditional outlook and policy of the West African administrations need to be modified and modernized, not obliterated. Something new is most emphatically needed. Economic policy must be given the place which is its due. But the technique of indirect administration must be maintained and developed in order that active assent may be forthcoming in support of the new policy. The balance to be struck may be symbolically expressed in an outline model of administration: at the centre the Governor, on his right hand the

¹ See below, p. 271, n 1.

² Miss Perham's book on *Native Administration in Nigeria*, though its contents conform pretty closely to its title, contains two useful and stimulating chapters (xviii and xix) on these matters.

Minister for Economic Development, and on his left hand the Minister for Native Administration.

This little excursion into constitution-mongering need not be taken too seriously.¹ Nor need the didactic tone of the preceding sentences be misunderstood. The words 'must' and 'ought' do not merely convey the conclusions and exhortations of an outside observer; they express a train of thought and purpose which has already begun to operate powerfully within some of the West African administrations. The same train of thought and purpose have found embodiment in a very important State paper—the *Statement of Policy on Colonial Development and Welfare* issued by the Secretary of State for the Colonies in February 1940 and endorsed by Parliament.² Different generations choose different aspirations and concepts to guide them in their political endeavour: 'indirect rule' was the watchword of the decade which followed the last war; 'development and welfare' will probably be the cry of the generation which follows the present one.

It is important to observe that these objectives of policy—which, though not altogether new, are now affirmed with an explicit and deliberate purpose that is new—have come to the front at a time when they can no longer be realized except through sacrifice. In the nineteenth century development occurred as a by-product of profit, and welfare was thought to follow as a consequence of development. The sequence has many times been described in this book, and will be described again: the expanding market promises good prices, the prospect of good prices stimulates investment, investment develops colonial resources of production and creates the new and increasing incomes which raise the standard of human welfare. Throughout the greater part of the nineteenth century private enterprise was trusted to produce these happy results, and even when Chamberlain asserted for the State a positive part in the work of colonial development, it was assumed that the same sequence of economic events would operate harmoniously, giving to the State a just return on the money it had advanced and to individuals their just reward in profit and well-being.

But in recent years markets have ceased to expand, and the

¹ For the administrative side of West African problems, which is a large subject in itself, readers should consult, not only Miss Perham's book, but W. R. Crocker's *Nigeria, A Critique of British Colonial Administration* (Allen and Unwin, 1936). This is a challenging book by a man who had some years' experience as an Assistant District Officer; who has besides high standards, a contempt for smugness and cant, and the gift of trenchant English.

² Cmd. 6175 of 1940. Selections from this statement are printed in Appendix D.

stimulus of price can no longer be trusted to set in motion the sequence of investment, development, the creation of new income, and the raising of living standards. Even in the nineteenth century and the early decades of the twentieth, the classic economic harmonies sometimes dissolved into discord. There were colonial dependencies which suffered from extreme poverty of natural resources, or sparsity and backwardness of population, or special misfortunes in the world markets. In these dependencies commerce stagnated, development stood still, the population remained sunk in abject poverty, and the governments could not pay their way. When this happened, the imperial government had no choice but to intervene. It handed out a dole. It had no programme of development. It had no idea of maintaining minimum standards of nutrition, health, or education. But it admitted that the deficiencies of colonial revenue had to be made good. Provided always that the mendicant colony was severely economical! Strict Treasury control made sure of that.

The conception of policy which the imperial government laid down and Parliament approved in February 1940 is altogether different. It gives a positive economic and social content to the philosophy of colonial trusteeship by affirming the need for minimum standards of nutrition, health, and education, irrespective of the capacity of individual colonies to pay for these standards out of their own revenues and to build up the capacity to pay for them by their own economic effort. It dismisses the old doctrine of financial self-sufficiency, which—tempered by eleemosynary grants in aid—left the poor colonies where productive investment seemed unjustified to struggle with their impossible task of raising the level of economic efficiency and social welfare by their own puny efforts. From now on, the British government is pledged to play a direct and positive part in this struggle, and the British taxpayer is pledged to shoulder a considerable part of the burden. The statement of February 1940 envisages annual contributions extending for ten years at the maximum rate of £5,000,000 each year.

This new affirmation of imperial duty raises many problems. There is first of all the problem of its historical origin; it cannot be directly discussed here, but the persistent reader will be able to find earlier in this volume clues which lead through Joseph Chamberlain's policy, the Colonial Development Fund, the economic crises of the last generation, and the controversies and conflicts about the duties of an imperial trustee.¹ There are, secondly, very urgent problems of economic practicability. The wealth of African communities is small

¹ See above, vol. ii, part i, pp. 51, 71-2, 117 f., and part ii, pp. 2-4, 128 f., 173 f.

but their needs are great. The welfare services which are demanded must be extensive in scale and sound in quality; but they must also be cheap. This raises the important question of African employment and the rate of its remuneration: a great increase of the social services necessitates a great increase of African staff, but it also means that the remuneration of that staff must be related to the income standards of the African community rather than to those of the European officials and specialists whose own very different income-background is in Europe. There is matter enough here for controversy and conflict: the subject will be taken up again in the following section.¹ A third problem, which will also be considered later on, faces the British government and taxpayers. They will have a burden to carry, no matter how much success the colonial governments achieve in providing services which are both good and cheap. They have committed themselves as a matter of duty to shouldering this burden. They have done so at a time when Great Britain's resources—whose limits have already been made clear in this book²—are being expended without stint in supporting the burden of the world.

V

PROGRESS AND SECURITY

During the past two centuries the civilization of western Europe and of its geographical extensions has been in unceasing, ever-accelerating economic movement. The sanguine nineteenth century called this movement progress.

There was, however, another nineteenth century which was not sanguine but critical and rebellious. Its mood has become the dominant mood of the twentieth century. With a change of mood there has come a change of theory. The majority of economists and business men in the nineteenth century, and even many of the dispossessed and the uprooted, assumed that evils like unemployment were only passing smudges on the fair face of progress; that a progressive economy was also a self-adjusting one; that the principles of the mobility of labour and supply and demand would set everything right in the end. Economic students understand to-day that the costs of economic change may be no less real than its profits. They now look upon change, not as the harmonious demonstration of a few beneficent principles, but as a complex of problems which demand analytical inquiry and, where possible, quantitative measurement. An Australian economist, testing his analysis by the experience of

¹ See below, p. 292.

² See above, vol. ii, part i, pp. 267 ff.

his own rapidly changing country, has set it out in print under a challenging title—*The Clash between Progress and Security*.¹

If this clash takes place in a homogeneous community where the way of life and the pattern of thought are in a very high degree uniform, how much more is it bound to take place in countries where the technique and the ideas of western man have suddenly forced an entrance into the lives of primitive peoples! The Englishman who a hundred years ago was swept by economic change from the country into the town, still felt that his roots were in England: often he felt the same, even when economic change swept him overseas. But can the uprooted African villager feel the same? It is not only his locality, but his habits of life and thought and even of belief which he is compelled to change. For him, progress means participation in a new civilization. For him, insecurity means danger of shipwreck between the new civilization and the old way of life.

The clash between progress and security has already been the unacknowledged theme of many of the investigations pursued in this chapter. Most obviously was it the theme of the section entitled 'The abortive planters' frontier'. The planter-interests said in effect to the governments and peoples of British West Africa—'We offer you progress. Think carefully before you reject our offer. Think of the wealth and welfare which progress will bring you. Think of the poverty and wretchedness which await you if you bar your doors against progress!' The governments of British West Africa answered on behalf of the peoples: 'What is the cost of this progress which you offer us? Shall we not have to pay for it by the loss of our security? We refuse to alienate the people's land. We will not turn our peasants into a proletariat nor sell our birthright of community life for a heap of cash. Our village agriculture and village custom are an anchorage to which we shall hold fast: we refuse to exchange this intimate security for tempting but precarious profits in the world market.'

Nevertheless, the well-being of West Africa already in large measure depends on the world market. Our imaginary dialogue has oversimplified the controversy. It is not a head-to-head clash between progress and security. The planters argue that there can be no security for the West African people unless there is progress; and the governments accept the argument. It is the method of progress, not the need for it, which is in dispute. The governments argue that they have found a method which will maintain continuity of social tradition in the midst of economic change. They believe that progress

¹ A. G. B. Fisher, *The Clash between Progress and Security* (London), 1937.

can be so ordered and guided that it will demand, not the destruction of the old community life, but merely its adaptation to new needs. Their argument is to a considerable degree speculative, the anticipation of an uncertain future; but it is not entirely so. This chapter already contains a good deal of material which may be used for testing it. Here are two examples. In less than half a century British West Africa has secured more than half the world's cocoa export. Since 1912, when the railway reached Kano, Northern Nigeria has built up a large export trade in ground-nuts. These two developments, surely, are economic progress—and very rapid progress. Have they been purchased at a heavy cost in security?

Before facing this question we must face a preliminary one. What were the elements of progress and security within West African society before it came under British influence? Was it really unprogressive? Was it really secure? Politically it was insecure. For lack of a West African *pax* the weaker communities were at the mercy of the stronger. Year by year the pagan villages were raided for slaves. And even the better organized and more powerful communities, particularly those of the south, lived continually amidst the insecurity of war.

But the concern of this chapter is with the economic and social aspects of progress and security. Unfortunately, the primitive society of West Africa has been very little studied in its economic aspects. The anthropologists have been preoccupied with other matters. None of them has as yet attempted to describe in full the 'primitive economics' of the Yorubas or the Niger Ibos.¹ Mary Kingsley, the great pioneer of anthropological study in West Africa, was a scientist and a trader as well as a student of primitive man. She was interested in fish, fetish, and commerce. Her successors have for the most part concentrated their attention upon fetish.² She told us a very great deal about the commercial habits of the people with whom she lived and travelled. Later writers have seldom followed up this clue. Yet it is an important one. Long before the Europeans came to West Africa an advanced division of labour and an active exchange must have existed around the big cities of north and south—Kano and Katsina, Abeokuta and Benin. What was the organization and ritual of the craft-guilds inside these cities? In what manner did production for the city markets modify agricultural technique and land custom in the surrounding country-side? It would be a mistake to assume

¹ Cf. Dr. Raymond Firth's book on *Primitive Economics of the New Zealand Maori* (Routledge, 1929). It sets a high standard for anthropologists investigating economic phenomena.

² On this word see Appendix A.

that the modifications were small. The existence of large urban markets is always incompatible with a purely static economy.

These observations are a necessary preface to the account of the agricultural system which has been given by many writers and is sketched in the following paragraphs. It is a formal and generalized picture which makes little allowance for local diversities and for change. It is incomplete, but useful. Probably it is just about as true and as false as are those confident descriptions of 'the medieval manor' which may still be found in old-fashioned text-books of English history.¹

This formal picture does in a rough-and-ready fashion answer the questions which have been asked about the influences making for progress and security in the primitive West African village: it reveals an economic order which was both unprogressive and secure. The villagers were self-sufficing farmers living on the produce of their land; and there was land enough for everybody, except in a few exceptional districts. The long bush fallowings maintained soil fertility. The chief argument against native cultivation—that it is wasteful of land—had little point under conditions 'in which the supply of land exceeded the demand'.² It was an effect of these conditions that land had no exchange value. Its significance to those who lived on it and from it cannot be assessed merely or chiefly in economic terms. The relationship between the land and its cultivators lay in the 'mystical-magical' order of values. It follows that discussions of land tenure in European terms are very likely to miss the point. Who owns the land? The 'community' owns it, some say, and hasten to explain that the 'community' is a partnership between the generations, a partnership which unites the living and the dead and the unborn, and joins them all to the land. Others, more precise, declare that the 'extended families' own the land. Others again declare roundly that nobody owns the land. 'Land is sacred and "owns" the people, whom it provides with food.' No doubt there is truth in all these statements. The relationship between land and people has many facets, and there are innumerable local diversities. One fact, however, is clear. It may be rash to speak of community ownership, but it is safe to speak of community recognition of rights. And the rights which the community has recognized are secure. Under primitive West African conditions this order obtains generally. The

¹ For a good bibliography see Hailey, pp. 836–42. In general chap. xii, part 2 of the *African Survey* may be recommended as by far the best to clear the way for studying and mastering the land problems of Africa. For the beginnings of detailed, small-area study of these problems, see above, p. 242, n. 1. ² *Ibid.*, p. 835.

communities differ from each other: they may be extended families, or larger kindred groups, or they may be impressive political structures like the northern emirates, which have been superimposed upon the old clan groupings. But not even in the northern emirates (where in theory the ruler is supreme landowner with rights of resumption and alienation) has the clan lost its right of allocation or the individual his right of secure occupation. The land, whether it is allocated to farming families or held in trust by the chief for the needs of the future, may not pass from the community.¹ Nor can it be taken from the individuals who cultivate it. The primitive land system, seemingly, cares everything for security and nothing for progress.

But it must be remembered that this picture is a formal and generalized one, which makes no allowance for disturbance due to economic change. Change was undoubtedly operating in certain areas before the arrival of the British. Agriculture in some districts felt the stimulus of urban demand; in other districts it was subjected to population pressure. Under the old political order the most obvious response to population pressure was war; but another response might be offered by improvements of cultivation and a more economical use of the soil. This response did in fact occur in the northern emirates. The urban markets of the emirates also offered to peasant cultivators in the surrounding country an alternative to mere subsistence farming. Thus necessity and opportunity supported each other. Land acquired scarcity value and at the same time became a source of profit. Land was bought and sold in the Kano area long before Lugard entered the city gates. When land has become the object of commercial exchange, the tension between progress and security is bound to make itself felt.

Would this economic movement have continued if the British had not come to West Africa—first as traders, in the end as rulers? It is impossible to say. It is, however, certain that the advent of the British quite transformed the pace of the movement. Where population pressure already existed or was imminent, British rule intensified it by neutralizing the 'positive check' of war.² British commerce brought vastly wider opportunities of production for profit. When

¹ Under primitive African conditions there are, however, various devices for admitting 'strangers' to the community lands, and individuals may 'pledge' their lands. A 'pledge' looks like a possessory mortgage, but is not one because it is redeemable without time limit. This is the theory; but sometimes it appears very fictional. See above, p. 247, for migration in Sierra Leone.

² There are exceptions to this generalization. British security enabled the pagans to come down to the plains from their hill refuges: they therefore had more land, and land *lost* scarcity-value.

West African products acquired commercial value in the world's markets, West African land was bound to acquire commercial value for those who owned it or wished to become owners. And the commercialization of land was bound to cause many changes of social structure and usage.

Can we estimate the pace of change? Can we enumerate and measure its social effects? Again we find ourselves handicapped by the backwardness of serious economic study. But let us make the best use we can of such facts as have been collected about the cocoa-producing area of the Gold Coast. The census returns, though they must be used with great reserve, do nevertheless suggest that the increase of population in the cocoa-producing area has been, by African standards, extremely rapid. They also reveal a most noticeable increase of urban agglomerations.

Gold Coast: Towns over 3,000

	<i>Census-1911</i>	<i>Census-1921</i>	<i>Census-1931</i>
Colony	28	29	97
Ashanti	1	9	26
Northern Territories	0	6	8
Togoland	NR	2	5
Total number of towns	29	46	136

NR=Not recorded.

This table does not reveal the speed of growth, either of the large towns or of medium-sized ones. Of the large towns, in the ten years 1921-31 Accra grew from 41,124 to 60,726; Kumasi from 23,694 to 35,829; Sekondi from 9,500 to 16,953. No doubt there is a good deal of fiction in these seemingly precise figures; but scepticism can be carried too far. Urbanization and the speed with which it is operating are matters of casual observation. In the larger towns an extensive division of labour is patent to the eye; whole streets are occupied by African tailors with their sewing machines, or by shoemakers or tinsmiths: there are general retailers and provision merchants and porters and boatmen and clerks, all pursuing their specialized tasks and making a living by satisfying the diverse demands which originate in the sale of cocoa overseas. As for the smaller and medium towns, they have during the past twenty years sprung up in the cocoa-growing areas like mushrooms. They too support themselves by satisfying, rather more directly, the demand of the producers for goods and services—including the services which are rendered by brokers, solicitors, and midwives.

If progress has so multiplied and diversified the towns, what has it done to the country? Sociological investigators usually seek an answer to this kind of query by the statistical investigation of 'sample' areas. Such an investigation is not easily pursued among primitive peoples; they are so obstinate in resisting the inquirer, so skilful in evading him. Nevertheless, the work can be attempted and useful results achieved. Witness the famous testimony of the *Anglo-Saxon Chronicle* to the efficiency with which William the Conqueror numbered the lands and peoples and animals of eleventh-century England and wrote the findings into Doomsday Book; 'it is a shame to tell', the Chronicler lamented, 'but he thought it no shame to do'. A statistical officer of the Department of Agriculture in the Gold Coast has thought it no shame to do something similar—far less extensive, but a good deal more intensive—in a 'modal' cocoa village. The officer¹ concentrated upon this village his gifts of persistence, persuasiveness, and trained observation in repeated visits continued through three consecutive years. No doubt it would be wise to make allowance for a margin of error in some of his statistical estimates of the village economy. Nevertheless, they do help the student to see the clash between progress and security, even in West Africa, not merely as a bundle of general tendencies, but as a problem of quantities.

The 'modal' cocoa village is called Akokoaso. Its population is 1,181 persons. They do not all belong to the same kinship group; they are a mixture of Akim, Ashanti, and other Akan peoples who were thrown together, first by the chaos of the Ashanti wars and later by the internal migrations consequent upon the development of the cocoa areas. In more recent times they have been joined by newcomers from more distant places—'Lagosians' moving west for trade, and people from the Northern Territories moving south to sell their labour. The 1,181 inhabitants of Akokoaso are divided into 201 separate families: of these, 122 consist of parents and children only, but the rest have adult relations or servants living with them.²

The village lands comprise 38 square miles. This is a generous endowment for so small a community. Very little of it has as yet been brought under cultivation. There are the family compounds, within the village (which covers about 30 acres in all) and then the cocoa farms, which are small and distributed throughout the forest,

¹ The officer referred to is Mr. W. H. Beckett, Senior Agricultural Officer in the Gold Coast. I am deeply indebted to him for permission to study and quote his work, which deserves to be published.

² Average children per family, 2.5; average adults per family, 3.4.

up to $3\frac{1}{2}$ miles from the village, with an aggregate area of about three square miles. Nearly two square miles of this area are planted with trees not yet in bearing; it is on these new cocoa farms that most of the food crops are grown. Two and a half square miles of the village land have been taken as a forest reserve. More than 30 square miles of forest still remain. It is 'stool land', vested in the chief as trustee for the community. Individual members of the community, however, need not obtain permission from the chief before clearing the land for farming. Moreover, once they have established their farms they hold them in permanent right and transmit them to their heirs in accordance with the complicated rules of matrilineal succession. Even 'strangers' can secure by purchase full rights of possession for themselves and their heirs; if they cannot afford the purchase price they may still, by application to the chief, secure more restricted rights.

The chief occupation of the village is, of course, farming. The number of farmers is as follows:

Independent farmers . . .	267
Dependent farmers . . .	87
	Total 354

These figures call for some explanation. There are more farmers in Akokoaso than there are families. The reason is that, in the same family, two members or even more may own farms: no less than 104 of the 267 independent farmers enumerated are females.¹ As for the dependent farmers, they are as a rule working the land as sharecroppers under what is often called the *abusa* system. Many farmers, as will later appear, are multiple owners. They cannot do all the work of their farms. For this reason there exists in the village a class of permanent 'caretakers', and in addition there is an inflow of casual labourers at harvest time.²

¹ Female ownership is doubtless to be explained in part by the customs of matrilineal succession. A man's property does not pass to his children but to his brothers, nephews, or sisters: a husband and father who wishes to make provision for his own family may do so by making over a farm (with proper observance of native custom) to his wife, who thus becomes an independent farmer.

² Mr. Beckett summarizes the facts of land ownership and land work as follows:

- | | | | | | |
|-----------------------|--------------------------------|-----|-----|-----|--------------------------------------|
| 1. <i>Farmers</i> | (a) Independent | 267 | 354 | 128 | do all farm work. |
| | (b) Dependent | 87 | ↓ | 220 | do part of farm work. |
| | | | 467 | 6 | old, do no farm work. |
| 2. <i>Paid Labour</i> | (a) Caretakers | 89 | ↑ | | |
| | (b) Labourers | 24 | 113 | | work for 56 farmers. |
| | (c) Casual labourers | | | | did 1,724 days work for 255 farmers. |
| 3. <i>Other</i> | (a) Wives and other dependants | | | | assisted 255 farmers. |
| | (b) Children | | | | assisted 139 farmers. |

Some farmers do other things besides farm work—hunting, carpentry, palm wine tapping, shoemaking, smithing, potting, and so on. Other members of the community are wholly specialized in a craft and do no farming at all. There are for example wholtime palm wine tappers, blacksmiths, petty traders, midwives, teachers, carpenters, and cocoa-buyers. The number of those who give all their time to a non-agricultural occupation is smaller than those who combine farming with a craft. Nevertheless, this little village contains 66 persons whose entire income is derived from a trade or profession. It is plain that the division of labour has already advanced a considerable distance.

Nor can it be doubted that participation in the world's business has brought to the people of Akokoaso a great increase of wealth. Mr. Beckett, after some very painstaking and detailed calculations, concludes that the average income per family from all sources is £21. 18s. 6*d.*, of which £14. 18s. 6*d.* is from 'external sources' (chiefly the proceeds of the sale of cocoa) and in cash. By peasant standards this average is extremely high. There is nothing to compare with it in rural Africa. It would in general compare most favourably with Indian peasant standards. Investigation might even prove it to be higher than the average of peasant incomes in some parts of eastern Europe.

The notion of an *average* family is, of course, an abstract one; it conceals the inequalities which in fact distinguish one family from another. These inequalities will be examined later on; in the meantime, it will be useful to retain the concept of an average family and employ it in an analysis of expenditure. Mr. Beckett estimates an average cash expenditure of £9. 11s. 4*d.*, as compared with a cash income of £14. 18s. 6*d.*¹ If home-grown food and similar items are

¹ Details of the cash expenditure of the *average* family are as follows:

	£	s.	d.
Food (chiefly herrings, cow meat, and tinned meat)	3	8	6
Palm wine		10	3
Salt		5	2
Clothes and shoes	2	2	2
Household goods		7	6
Repairs, &c.		8	4
Tools and guns		4	0
School fees		8	3
Religion (Church or Juju)		14	10
Native doctor fees		1	8
Public welfare (including roads)	1	0	8
Total	9	11	4

The inequality concealed under the fictional average expenditure on education is indicated by the literacy figures of Akokoaso: in the population of 1,181 there are two

included, as they should be, in the estimate of total income and expenditure, the family is still left with a comfortable surplus. But this reckoning has excluded one very important item in the family account—the item of debt. Debt looms very large in Akokoaso. The average family pays every year £4. 19s. 2d. to creditors outside the village and £6. 12s. 6d. to creditors inside it. The total comes to £11. 11s. 8d.¹ On top of this, each family is liable for its share of the community debt or stool debt.

This phenomenon of debt demands consideration at some length. During five years in which the affairs of Akokoaso were under close observation the community debt fluctuated from year to year. Sometimes it was reduced by a levy on the people, or by a windfall of one kind or another—concession fees, land sales, or profits of a successful lawsuit. But it never remained for long below £2,000. Why was this? Why did the community fall into and stay bogged in debt? The answer is contained in one word—litigation. But what caused the litigation? The immediate cause of the litigation was the indefiniteness of the boundaries between Akokoaso and neighbouring villages. The boundaries became an object of keen dispute because the villages were competing with each other for concession fees. The district in which Akokoaso is situated has the fortune—or the misfortune—to be of interest to gold-miners. For the period of Mr. Beckett's survey, Akokoaso received between £1,000 and £2,000 in concession fees. Part of this money was received late, after expensive legal contention with neighbouring villages. One hectic burst of litigation opened in September 1932 with the briefing of two African lawyers at a cost of £150—not counting expenses. The case was adjourned until the following year: before it was decided, it had cost Akokoaso £700! Mr. Beckett estimates that the net expense of litigation to the community throughout the period of his investigation school teachers and a catechist, and nobody else with anything higher than elementary school qualifications: there are 43 persons with these qualifications, but only 16 of them have passed standard VII.

With regard to diet, Mr. Beckett gives some interesting tables. The following figures are percentages of total weight of food consumed:

<i>Carbohydrates</i>	<i>Proteins</i>	<i>Vegetables</i>	<i>Fats</i>	<i>Fruits</i>	<i>All foods</i>
89.7	1.5	5.4	2.6	0.8	100

The chief home source of protein is the forest snails, which are dried and strung on rings—rather like the rings of figs sold in British cities. As for fruits, the low consumption is due not to scarcity but to taste and idleness. Agricultural officers who have planted trees in villages state that the trees are neglected and their fruits allowed to fall and rot.

¹ The annual debt charge is about 50 per cent. of the capital. The capital debt of the average family is: £9. 18s. for loans outside the village, £12. 11s. for loans inside it.

tion amounted to £2,500 which is equivalent to £500 a year. No wonder the village remained bogged in debt. All the concession fees, all the awards of court, were swallowed up by the public creditors. In addition, the village was compelled to stave them off by imposing levies upon itself, and by borrowing ready cash from new creditors.¹ Even this did not suffice. Akokoaso was compelled to sell to 'strangers' portions of its land. This perhaps did not very much trouble the villagers. Did they not have plenty of land? Certainly, they disposed of the proceeds of land sales in a very free and easy way, as the following table shows:

	£
Omanhene	100 ²
Road construction	600
State trinkets and ornaments	200
Misappropriated in form of loans	150
Litigation expenses	1,940
Unaccounted for	680
Total for the period	3,670

The account of Akokoaso's public debt has been instructive. It has revealed connexions between a variety of phenomena observed earlier in this chapter—the ownership of land by 'the people', the Concessions Ordinance, litigation, migration, and the acquisition of proprietary rights by 'strangers'.³

Quantitatively, the community debt, heavy though it is, is a much lighter burden than private debt; Mr. Beckett has estimated the sum total of the latter at £4,486. Part of this total—£494—is represented by mortgages on farm property; the larger part is represented by advances on the cocoa crop, notes of hand, or other forms of short-term credit. There are various methods of fixing the interest due on mortgaged property and all of them are usurious. During the

¹ Thus, in 1932 Akokoaso raised £75 from a wealthy farmer-broker who was also the chief of a neighbouring village. There was no stipulation about interest, but the agreement bound all villagers to sell all their cocoa to the lender at a quite moderate commission—6*d.* per load—and to repay the capital within six months. The sequel was an extraordinary series of evasions, defaults, debts, litigation, and new levies.

² The Omanhene (paramount chief) is supposed to receive one-third of the proceeds of the land sales effected by all the village communities within the area of his overlordship; but he gets far less. The sellers have to bear the chief cost of road construction.

³ See above, pp. 182-7. The transfer of stool land to strangers buying themselves into Akokoaso is by Native law. It begins with a present to the Chief, Queen Mother, and Elders. Then a sheep is slaughtered at each corner of the land, and rum is spilt upon the ground. In this way the sellers invoke the spirit of their ancestors to watch over the new owners. When the rest of the rum has been consumed the bottles are buried at the four corners. This procedure is 'the counterpart of a modern deed of registration'. But is it as good as a modern deed of registration for establishing a sure title? Something is said below (pp. 285-9) about this problem.

period of Mr. Beckett's survey the average rate of interest was about 37 per cent.: at the prices then ruling for cocoa, mortgaged farmers could not hope to clear their mortgages and recover their farms. The best they could hope for was that their creditors would let them stay on their land as 'caretakers' under a share-cropping arrangement. The short-term borrowers were paying interest at a still higher rate; borrowers by note of hand were paying to the tune of 50 per cent.

The final estimate of totals and averages may be summarized as follows:

Total number of families	201
Stool debt per family	£10 0s.
Number of privately indebted families	125
Total private debt divided by number of privately indebted families	£36 0s.
Total debt, public and private, divided by number of privately indebted families	£46 0s.
Total debt, public and private, divided among all the 201 families	£32 10s.

It is now time to examine some of the inequalities which are concealed by these totals and averages. To begin with the 125 families which are privately indebted, there is great variation in the burdens which they are carrying, as the following table shows:

Degrees of Private Debt

Less than £1	5 families
Between £1 and £10	45 "
Between £11 and £50	55 "
Between £51 and £100	9 "
Between £101 and £500	10 "
Over £500	1 family

On top of this inequality within the debtor class there is the still greater contrast of condition between those villagers who owe money and those who have it owed to them. More than half the total private debt of £4,486 is owed inside the village, from neighbour to neighbour. Akokoaso has its debtor class and its creditor class. This inequality of financial status will become more intelligible if it is considered in relation to some other kinds of inequality. The facts of farm ownership are particularly interesting. There are 267 independent farmers, owning on the average 3 farms each: the average size of their farms is $2\frac{1}{2}$ acres. But to obtain this average it is necessary to lump together some farmers who own only 1 farm of about 1 acre, and others who own as many as 7 farms amounting to 30 acres or more. Towards one end of the scale there are 75 farmers who own less than 2 acres each; at the other end of it there are 5 farmers who own at least 15 times as much. One of them possesses 95 acres of

planted cocoa. It naturally follows that there is great inequality of the cash incomes received from cocoa. Two-thirds of the farmers sell less—some of them a great deal less—than 20 loads a year; but about a twelfth of them sell more—some of them a great deal more—than 60 loads a year.

It would nevertheless be erroneous to assume a correlation between the class of large owners and the class of creditors. The following table, which again deals in averages, suggests the very opposite:

Average Income of Indebted and Non-Indebted Farmers

	<i>Indebted</i>	<i>Non-indebted</i>
	£ s. d.	£ s. d.
1. Earned income (a) from cocoa	14 6 5	3 15 0
(b) other sources	2 3 2	6 10 3
Total earned income	16 9 7	10 5 3
2. Interest . . . . .	..	17 8 8
Total income	16 9 7	27 13 11

This table shows that on the average—great variations will as usual be concealed beneath the average—the creditor class is only to a minor extent interested in the production of cocoa. The creditor class is the richer class, but it does not gain its riches by owning and working the land. Many of the well-to-do men of Akokoaso have ceased to be farmers. The division of labour is proceeding apace. One section of the population is specializing in commercial or financial business. One section is gaining an increasing lien over the cocoa produced by the other section.

Inequality of financial status is most clearly related to another very ancient form of human inequality. The men of Akokoaso are not equal in their habits of industry and thrift. Mr. Beckett has calculated that the village farmers spend on the average 117 days of the year in farm work; but whereas some farmers work 216 days, others—the litigious or the lazy, the sick or the old—work no more than 50, or 18, or even 11 days. Variations in the practice of thrift are no less striking. The following table contrasts the average expenditure of the debt-encumbered families and the unencumbered ones:

	<i>125 indebted families</i>	<i>76 non-indebted families</i>
	£ s. d.	£ s. d.
1. Food purchased	4 0 4	3 2 7
2. Clothes purchased	2 7 0	1 14 2
3. Utensils, &c.	7 8	7 1
4. School fees	11 8	2 8
5. Religious expenses	18 7	8 8
6. Public welfare	1 7 6	9 6
7. Other (palm wine, repairs, &c.)	1 4 3	1 4 3
Total	10 17 0	7 8 11

This table would seem to suggest that Akokoaso is divided into rollicking Esaus and stingy Jacobs, into open-handed fellows who do themselves well with food and raiment and give generously to juju and public charity, and close-fisted persons who live meanly and evade their public obligations and grudge the cost of their children's schooling and deny to their wives the price of a new frying-pan. The reality is not quite so simple as that. It is not because the indebted families have a finer public spirit that their contribution to public welfare is higher: it is because the list of the indebted ones includes the chiefs and elders, who are bound to make a larger contribution than ordinary people. Allowing for facts of this nature, the table still suggests, very strongly, that borrowing is in large measure for non-productive purposes. This is Mr. Beckett's conclusion. He says that it is the high rate of their expenditure which brings families into debt: the absence or presence of debt does not control the expenditure.

Reflection upon the varied assortment of facts which we have set out reveals that there exists in Akokoaso a very real tension between progress and security. There can be no doubt at all about the progress in material wealth which the cocoa trade has brought to the village: the peasants of Akokoaso, compared with their kind in other parts of Africa and in many other parts of the world, are Croesuses. But they have not all fared alike. Economic individualism has advanced a very long way. No doubt it has been the vehicle of progress. It has also determined the distribution of the rewards which progress offers. Security, likewise, is governed by the phenomenon of individualization. Just as the gifts of progress are heaped upon some inhabitants, so are the burdens of insecurity heaped upon others. As happens everywhere among peasant communities, the heaviest burden is debt. But there are other burdens which we have not examined. We must not forget that Akokoaso has its contingent of casual labourers. They do not very often have to carry the burden of unemployment which lies so heavily upon urban proletarians; but it has happened before now that they have worked through the harvest season and at the end of it have been denied their wages.¹

There is a good deal in this West African version of the clash between progress and security which might be paralleled in other countries, including European countries. For example, the themes of individualization and inequality are usually prominent when progress and security are in debate. But Akokoaso suggests another theme which is peculiar to countries where the modern and the primitive have suddenly confronted each other. The farmers who add

¹ *Report on the Marketing of West African Cocoa*, Cmd. 5845 of 1938, pp. 194-5.

field to field, the lawyers, the brokers, the mortgage-holders, all seem very modern. Akokoaso in its corporate capacity seems very modern when it goes to law with its neighbours for the profit of concession fees. We think that we are witnessing a highly developed money-sense in action. We think that the African has quickly turned himself into 'economic man'. Possibly he has. But 'economic man' does not really exist in historical modern Europe: he exists only as an hypothesis of European thinkers. The modern economic activity of Europe grew out of its own historical social structure and mental habit. There is continuity between the old Oxford of learning and trade and the new Oxford of learning and trade and motor manufacture: there is some relation (though it is hard to define) between religion and the rise of capitalism. In some periods of European history—in our own day, for example, or in the day of the first steam-engines and power mills—the European world has seemed to be transformed; Europe nevertheless has remained the same world, spinning very much faster. But in Africa change means more than acceleration. Europe's commerce and its money-measurements really have brought the African into a new world. Its economics are different from his 'primitive economics'; its personal relationships have nothing to do with his relationships of matrilineal families and tribal kinship. His religion does not in any way reinforce or govern the capitalism into which he has been swept. He retains something of his old social and religious and mental life and habit—these things are very slow in dying—but they are distinct from his new economic life and habit. That is why he seems to approximate so much more closely to 'economic man' than Europeans ever do: the new economic element has not been absorbed by his society. Because it has not been absorbed, it is in action extreme and even fantastic: there is as much credulity as there is cupidity in Akokoaso's litigiousness. Precisely the same odd mixture of sharpness and bewilderment shows itself when a young man who has been taught English and arithmetic and book-keeping loses his employer's money to the money-doublers.¹ In their passage from one way of life to another many Africans find it hard to keep a sure foothold. The Europeans who hold power in Africa, and desire to use it so that the Africans shall come safe through this crisis in their history, have need of many qualities—patience, imagination, assiduity, firmness—all the gifts of understanding and character which minister to the supreme virtue, justice.²

Akokoaso, of course, is not typical of all West Africa. Nothing remotely resembling it would be found in the Northern Territories

¹ See above, p. 227, n. 1. ² 'All you need is justice,' said Mary Kingsley. See Appendix A.

of the Gold Coast or in the pagan districts of Nigeria. It is typical only of those limited areas of British West Africa (chiefly the cocoa areas) where commercial individualism has really gone full speed ahead. Still, it has prophetic significance even for areas which so far seem very little touched by progress. It reveals a trend of change. And it does also reveal the degree of change which has in fact already taken place among sections of the population which are numerically important, and may become still more important by their influence. Akokoaso symbolizes a challenge to West Africa's European rulers.

The response to that challenge must be many-sided. Education, Native Administration, the legal system, the representative system—they are all concerned. But the concern of this book is with the economic content of life and policy. Even this limited subject-matter has ramifications enough to bewilder the investigator and endanger the concentration of effort which is the condition of effective knowledge. It will therefore be advantageous to focus attention upon a restricted number of related problems—problems of land tenure, of the crafts, of salaried employment and commercial opportunity—which arise out of the facts of economic change. In all these distinct problems there is one common element. Economic progress has come to West Africa, and it has taken the form of economic individualism, thereby threatening the traditional security. Individual progress for some: individual insecurity for others: this is the tendency. Is it possible so to guide and discipline this tendency that it may become less fruitful of inequalities, yet still remain fruitful of experiment and material improvement?

Economic progress cannot and should not be rejected. Governments and the great commercial combinations are agreed at least on that. If south-eastern Nigeria were to lose a large part of its overseas trade, many of its people would lose the means of life. If Nigeria were unable to procure the capital necessary for development, all her people would forfeit opportunities for a healthier and fuller life. Africa has been cursed for centuries by economic stagnation: economic progress must be to-day her first hope. Nor can it be, nor should it be too drastically dissociated from economic individualization. In every community there are reactionaries and experimenters, slow-moving timid men who cling to the unsafe past and men of swifter imagination and initiative who see that safety and hope lie in the future. Some individual has to begin the adventure of mixed farming. Some enterprising pioneer must risk the hostility and mockery of his fellows if they are to be saved from

the consequences of neglected palm-trees and slipshod pressing of the fruit. These pioneers and experimenters have their own special need of security. They need security against frustrations which impede their progress along the new paths. Sometimes these frustrations may be imposed by the suspicious conservatism of their group. Yet this kind of obstructiveness is possibly not the most important one. It has not arrested the movement of economic and social transformation in the rice lands of Sierra Leone and the cocoa area of the Gold Coast. Even in south-eastern Nigeria, where highly desirable changes in agricultural technique have been hanging fire, the cause of delay must be sought, not merely in the anti-individualistic traditionalism of extended families and small clans, but also in the indecisiveness and intermittency with which the new economic stimulus has operated. The awakening of backward communities to the need for change constitutes only part of the problem. It is equally important to find means of mitigating the disorder and caprice of change, so that the advantages which it should bring may no longer be precarious, and the inducements which it has to offer may become self-evident and steady.

The existing lack of order in change is very apparent in the chaotic land laws of British West Africa. We have not time to thread our way through this labyrinth,¹ but we may profitably follow some of the clues which we picked up in Akokoaso. The most pressing problems are those connected with the commercialization of land. This follows inevitably from the commercialization of the products of the land. If the land produces a crop with a money value, the land itself will acquire a money value and will consequently become an object of business dealings. Farmers who are producing for seasonal markets, farmers who wish to improve their productive equipment, need agricultural credit. This means, as a rule, the growth of a mortgage system and the rapidly spreading practice of transferring title by purchase and sale.

Public authority may, of course, resist these tendencies. The Dutch rulers of Netherlands India have taken strong counter action. They do not recognize a title to land as a transferable commodity, and they meet the peasants' need for credit through the medium of a State banking system. Governments which have not adopted such positive policies must decide what kind of recognition they intend to give to individual initiative: their decision is bound to have important social consequences. As Lord Hailey says: 'It was the form adopted in creating title which gave to Bengal, on the one hand, a rural

¹ For an introduction see Lord Hailey's *African Survey*, ch. xii, part 2.

economy of large landowners and a servient tenantry, and to parts of Northern India, on the other hand, a system of strong peasant proprietors.¹ No comparable results of diverse legal definition are as yet observable in British West Africa; but care will have to be taken if they are not to appear in the future. In Northern Nigeria there has been harmony between the trend of economic change, the tradition of the Native courts, and the policy of the government as over-proprietor: as a result there is a natural evolution towards title by occupancy, which adapts the tradition of the past to the needs of the present and strikes a just balance between the progress-and-security needs of the individual and those of the community. But in the south, amidst a welter of local variations, only one thing is constant, namely, the uncertainty of title. The evils of *ius incertum*, and the attendant evil of litigiousness, are most flagrant in the Gold Coast and Yorubaland.² In these areas economic tendency and the influence of English law are rapidly out-moding Native custom: and transactions are recorded increasingly in written documents. But the documents frequently are multiple, the claims numerous and conflicting, litigation endemic. Individual possessors do not enjoy the full security which is appropriate to the new economic order, while individuals and the group to which they belong are losing the security of the old. Progress continues so long as the relation between population and resources, and the market value of those resources, remains reasonably favourable. But the rewards of progress often go to individuals and classes who do not merit them, and its costs include, not only those social disadvantages which—as in Akokoaso—are already visible, but hidden economic items which may reveal themselves in the future.

The problems of legal regulation are too complex to admit a standardized solution. There are so many local variations—the old 'colony' districts of Lagos or Freetown, where land transactions have come far within the orbit of English law; the cocoa-growing areas a little farther back, where Native law theoretically rules but in practice is rapidly disappearing; and more remote districts like Ashanti, where lawyers are not allowed to plead in the courts but nevertheless exert considerable influence.³ And there are many other

¹ Hailey, *op. cit.*, p. 870.

² Mr. Ormsby-Gore emphasized this in 1926. See *Cmd. 2744 of 1926*, pp. 146-9. His suggestions for reform were not followed up.

³ Lawyers get their chance to appear in court when cases are carried to appeal—as they frequently are. But from the very beginning they are usually active behind the scene. (I have now been informed that the direct barrier against the lawyers was lowered some years ago.)

gradations and variations: there is the Ibo country where the clans are small and Native law (to adapt a phrase of Maitland's) is 'tough law'; and there are the primitive pagan communities where the 'toughness' of custom has not as yet been seriously tested. These variations in the legal system usually have some relation to social and economic differences, and it would be a mistake to aim at a premature and unreal legal uniformity. Policy must remain flexible, in order to allow for the different stages of development. But policy must also have a definite purpose and end: otherwise British West Africa will become a patchwork of different legal systems. It should be the ultimate aim of legal statesmanship in British West Africa—as it once was in England—to build up 'customs common to the whole country'—a common law in the strict sense of the term.

But statesmanship must first decide what economic and social purposes it intends the law to serve. The French have never had any doubts about their purposes. They have aimed at the creation of peasant proprietors with full title of ownership. They have had to vary the means by which they pursue this end,¹ but they have never doubted that the end is desirable. The British have been more hesitant. In accordance with their policy of ruling through Native institutions, they have been loath to give full legal support to an individualism which appears disruptive of these institutions. Their hesitation may be justified in the future. Economic progress may sometimes fittingly express itself in socialistic forms, and there are always some aspects of community oversight which it may be wise to preserve and encourage. But hesitation is not a policy. A policy is long overdue. In Southern Nigeria an attempt was made in 1926 and the following years to hammer one out. But before long the energy with which the attempt had begun was visibly flagging, and the mountain of laborious discussion and report has so far produced only a small mouse of achievement.² The clearest indication of

¹ *Immatriculation* is the gateway to full peasant proprietorship with registered freehold title. But the French have been compelled to adopt a half-way house and a simpler procedure—*constatation des droits fonciers des indigènes*.

² The initiative was begun in 1926 by Col. Rowe of the Lands Department. He submitted that the planting of permanent crops caused a natural movement towards individual tenure, and that this movement should neither be forced nor thwarted, but guided. At present, he argued, it was thwarted, with the result that there were thousands of illegal documents purporting to transfer title. He wanted to bring the procedure into the open as follows:

- (a) by introducing registration of title in Lagos at once;
- (b) by instituting land courts, first in the Colony and later in the Protectorate, to investigate and register claims to title;
- (c) by dividing all land in Southern Nigeria into 'Alienated' and 'Native';
- (d) by giving facility to users of Native land under the communal system for having

probable future trends is contained in Lord Hailey's recommendation that registration of documents should where possible be made an immediate aim, and that the final aim should be, not freehold title, but an occupancy title. This solution would bring the south closer to the model of Northern Nigeria, and it would adapt to this commercial age a principle of the pre-commercial order, whereby a just balance is sought between the rights which individuals can claim from the community and the oversight which the community can exercise over individuals. However, the British rulers of West Africa will not achieve this solution unless they make a prompt, positive, and sustained effort to cut a way through the muddle of historical circumstance and the muddle in their own minds.¹

Legal definition and procedure are very important; but they will not by themselves solve the problems which spring from the action of economic change upon agricultural communities. To mention once again the problems of mortgage and debt: these can only be handled effectively by a positive economic policy, in which the land law finds

their land registered as Native freehold, provided they made valuable improvements, planted permanent crops, &c.;

(e) by bringing 'Alienated' lands under English law as regards transfer, sale, mortgage, &c. 'Native' lands (including Native freehold) to remain under Native law.

These proposals were discussed by the Residents, who were prepared to favour them, with some modifications: subsequently, however, Colonel Rowe made them more far-reaching. In 1930 a draft Bill was prepared. Its principles were:

(a) facility for registration of documents (not of title) in advanced areas;

(b) inquiry into land tenure among the Yorubas (and subsequently elsewhere) to be begun. Thereafter a Bill to be framed to regulate alienation of buildings and farm land in the Yoruba provinces.

The inquiry into land tenure in Yorubaland was undertaken by Mr. Ward Price. In 1935 a Registration of Titles Ordinance was prepared for Lagos. But the draft Bill of 1930 was not proceeded with. However, in 1939 there appeared signs that the Administration intended to take up the problem again.

¹ The muddle in the minds of British administrators on the land question is due both to the habit of formalistic approach (i.e. failure to grasp the economic content of tenurial questions) and departmentalism. As regards the latter, the writer can give one small but revealing illustration. In his discussions with Gold Coast officials he was puzzled by the meaning of the word 'caretaker', and discovered that it was used in three distinct senses. The meaning which the Department of Agriculture gives to it is apparent in the text (see p. 276 above). It is a common-sense meaning. But a political officer in Ashanti used it to describe the status of a sub-chief, thereby implying an ambitious quasi-feudal theory, as follows: 'All land is stool land, and sub-chiefs are "caretakers" (cf. tenants *in capite*) under the paramount chief for the land which they hold from the stool.' But an officer of the Lands Department told the writer that the above explanation of the word was a fictional systematization of the facts and had nothing to do with reality: 'caretakers', according to this witness, were managers, of a kind, appointed by the chiefs, and had no powers to release land. This lack of a common terminology is surely a striking sign of the lack of clarity and co-ordination in policy.

its place as a co-ordinated part. The danger of a debt-encumbered peasantry cannot be warded off merely by land legislation and judicial decision, whether it is decision under English law or decision by Native custom. Something more positive is needed to check unsound forms of credit. The Dutch in the East Indies have offered to peasants the alternative of sound credit: the British in continental India have been slow to realize that this is necessary. In British India agricultural indebtedness has reached immense proportions. In British West Africa the governments have done something to encourage the growth of sound credit: mention has been made already of the ingenious hire-purchase system associated with mixed farming in Northern Nigeria, and of the progress of co-operative lending in the cocoa areas of the Gold Coast and Yorubaland.¹ But these efforts are as yet inconsiderable when measured against the need. Akokoaso is witness to the dangerous drift of change. It gives warning that large sections of the West African peasantry are in a fair way to follow the peasantry of India into the bog of debt. Deliberate and speedy action is called for if this social disaster is to be averted.

The problems of progress and security, and their relation to the growth of economic individualism, have so far been dealt with as if they concerned the land only. It is true that the vast majority of the people of West Africa get their living from the land and that economic policy must for a considerable time remain primarily concerned with agriculture. Nevertheless, economic progress means a progressive division of labour and a continual increase of that proportion of the people which gets its living by non-agricultural pursuits. For the sake of balance it is necessary to make some reference to the problems which arise from these tendencies, though there is space only for an outline statement of them.

A good deal has been said already about African activities in the business of commercial exchange with European traders; from the time of the slave-trade until the present day Africans have played an essential part in bringing to market the commodities which European business has demanded. Nowadays they perform chiefly the middleman's function; according to the Nowell Commission nearly 40,000 middlemen find occupation—though not necessarily full-time occupation—in the cocoa trade of the Gold Coast alone.² As the European firms have extended and diversified their operations, they have called increasingly on the services of African wage-earners and salary-earners. But the inevitable development which has sub-

¹ See above, pp. 229 f., 256 f.

² Cmd. 5845 of 1938, para. 92. The estimate is 1,500 brokers and 37,000 sub-brokers.

stituted organized government for the loose society of the traders' frontier has at the same time altered the balance between public and private employment. For a considerable time governments were preoccupied with the problems of law and order and were content to leave economic affairs to the traders. Then, in Joseph Chamberlain's time, they began to concern themselves on a fairly large scale with communications and public works. Development of the country by these agencies stimulated its development by private enterprise; at the same time it created both the means and the demand for further extensions of governmental activity. During the past quarter of a century, despite serious set-backs in times of depression,¹ the essential economic departments of government—agriculture, forestry, animal health, and the rest—have firmly established themselves. All the indications of the present time point to a further forward step in this logical advance. Public and private activity together have brought to West Africa an increase of wealth; the present demand is for a resolute drive to increase welfare. Public authority is expected to undertake the drive by a great expansion of the social services which it offers to the people—particularly the educational, medical, and health services.

Expansion of the social services means further expansion of government employment. There has inevitably been considerable discussion about the conditions under which the African community will best benefit from this development. According to the theory of trusteeship, administration by British officials, even though it must necessarily last for a long time, is regarded as provisional, for its aim is

¹ The manner in which the Nigerian Department of Agriculture has had its activities curtailed in times of depression is illustrated by the following figures:

	<i>Number of officers, excluding produce inspection officers</i>	<i>Expenditure other than salaries</i>
1921-2 . . .	36	£19,614
1922-3 . . .	26	£20,246
Thereafter a steady increase up to		
1929-30 . . .	50	£53,476
1930-1 . . .	56	£50,885
Thereafter a decrease, with lowest point in the years		
1933-4 . . .	45	£20,360
1934-5 . . .	44	£18,105
1935-6 . . .	47	£18,718
Thereafter a partial recovery, leading to		
1938-9 . . .	59	£29,264
1939-40 . . .	59	£24,538
1940-1 . . .	57	£29,829

These fluctuations in the resources which the Department of Agriculture commands must have a serious effect on its capacity to frame and carry through long-term plans of research, instruction, and propaganda.

to enable the African peoples to stand on their own feet amidst the strenuous conditions of the modern world. It follows that the British administrations ought to do their best to hasten this day by admitting Africans to the public services as rapidly as possible, not only in the subordinate, but in the senior grades. This intention was definitely in the mind of the government when it founded Achimota College in the Gold Coast. Sir Gordon Guggisberg, in paragraph 225 of his *Review of the Gold Coast's progress from 1920 to 1926*, laid down 'a general programme of African appointments'. According to this programme 'the number of Africans holding European Appointments should steadily grow from 27 in 1925-26 to 151 in 1935-36'. But the programme has not been realized. In February 1938 the number of Africans holding these higher appointments was only 41.¹

This result has naturally been most disappointing to Europeans engaged in the work of higher education in West Africa, and to their African colleagues and pupils. Moreover, it is nowadays very well understood that there is danger in producing an educated class which

¹ *Analysis of European Appointments held by Africans as at Dec. 15, 1938, in the Gold Coast.*

Scale of salary	Directly recruited		Promoted (all departments)
	Department	No.	
Super scale	Law	2	..
£600-£840	Law	2	..
£335-£780	Agriculture	1	..
	Secretariat	..	3
	Survey	..	1
	Education	..	2
	Customs	..	2
	Railway	..	1
	Post and Tel.	..	3
£500-£720	Medical	7	..
£336-£700	Police	..	1
£400-£600	Railway	1	..
	Agriculture	2	..
	Education	..	1
£400	Medical	3	..
£335-£600	Post and Tel.	..	1
	Secretariat	..	1
	P.W.D.	..	1
£300-£500	P.W.D.	..	2
	Acct. Genl.'s	..	2
	Medical	..	1
	Police	..	1
Total . . . . .	..	18	23

finds its hopes of employment frustrated. Nevertheless, it is necessary to consider the problem from the point of view of a wider community interest. West Africa's need of extended public services is great, but West Africa's capacity to pay for the extension is very small. The community must have the services, but it must have them cheap. Can the programme of filling 'European appointments' with African personnel be reconciled with this necessity? 'European appointments' mean appointments at the European rate of remuneration, and the principle of 'equal pay for equal work' has been adopted by the local press and politicians as a matter of prestige. If it is persisted in, it may endanger the wider programme of social progress. The social services of the United Kingdom have reached their present high standard because there is a reasonable relationship between the income of the mass of the population and the income of its social servants. Assuming that the basic wage of an unskilled labourer in Great Britain is £100 a year—in fact it is considerably higher, but the figure gives a useful base for a rough and ready estimate—the salary of other individuals performing other functions will have a range rather like the following: clerks, £150 to £250; elementary schoolmasters, £150 to £400; qualified engineers, variations up and down from £500; medical practitioners, similar variations around £1,000. These estimates make no pretence of statistical accuracy, but they do suggest the kind of relationship which exists in the remuneration due to different classes, not only in Great Britain, but in the majority of socially advanced countries. But in West Africa utterly different conditions have grown up, because in the past the higher services have necessarily been rendered by Europeans, with the result that standards of remuneration were fixed in relation to the European, not the African background. Moreover, the European was a temporarily transplanted individual living in an environment to which he was physically unsuited; his remuneration was therefore fixed to provide him with the vacations and amenities necessary for his health, and with the resources necessary for the maintenance of the family which he had, presumably, left behind him in his own country. So long as the services of Europeans remain necessary for the good government and social progress of West Africa these standards will need to be maintained. But it will be no service to West Africa if they are perpetuated for the benefit of an African personnel which has a quite different background and different real needs. A decision to reward African public servants at the full European standard would be equivalent to a decision to delay the Africanization of the public services. It would also delay, and perhaps defeat, those

measures of social betterment which, everybody agrees, are urgently necessary.¹

These problems will be more easily solved if economic development continues to raise the community's income and to increase the diversity and range of available employment. The time is not far distant—and war will hasten its arrival—when the West African territories will become interested in the simpler kinds of manufacture, particularly the early processes of working up their own products. A beginning has already been made in the manufacture of soap and ghee butter: sugar, flour, rope, and fruit juice are likely to have their turn before very long. It is very natural that the European firms should seek to profit by these new opportunities; they have already taken possession of the soap and ghee industries.² The question therefore arises whether a government which in its agricultural policy has insisted on Native ownership will willingly allow manufacture to develop entirely under European ownership. Some of the new industries will need government support in some form or other: a permanent dairy industry (its feasibility has been demonstrated at Vom) would need customs protection. Similarly, a manufacturer who ventured his capital in a fruit-juice plant would need some guarantee against unregulated competition. Since the government will be called upon to grant favours, might it not fittingly grant some of them to Africans? Something has been said above about agricultural credit.³ It might be possible—the suggestion comes from Nigeria—to institute a careful system of industrial credit, whereby individual Africans of proved integrity and capacity would secure the capital necessary for launching out into new businesses.

New businesses, in a very humble way, have arisen already, cheek by jowl with the old. In the relationship between new and old there is a tension which is not merely economic: it reveals the clash between progress and security as a crisis of culture. A survey of crafts in two Yoruba provinces⁴ has enumerated about two score separate items,

¹ The writer repeats a suggestion that has been made to him: namely, that the remuneration of Europeans should be classified under two heads—a salary for services rendered, and allowances compensating the extra difficulties and expenses which the European has to meet because his service is in an unhealthy tropical country overseas. The abstract justice in the claim of equal pay for equal work would then be met by including the first item only in African salaries. This is a matter of policy on which the writer does not venture to express an opinion. Nor would he venture to work out scales of functional remuneration for West Africa in accordance with European proportions: the results would be drastic and impossible of application.

² In the ghee industry, however, The United Africa Company is challenged by the competition of a very efficient Lebanese.

³ See above, p. 289.

⁴ *Native Minor Industries in Oyo and Abeokuta Provinces*, Report by K. C. Murray

divided into eight classes—metal, wood, building, cloth, leather, pottery, household crafts, and 'miscellaneous'. The medley of old and new may be sufficiently illustrated from the first class, which includes blacksmiths ('traditional' and 'modern'), brass-smiths, gold- and silver-smiths, tinkers, pattern makers, motor mechanics, bicycle repairers, and watch repairers. It is not always easy to distinguish the old from the new. The goldsmiths of Abeokuta are a very numerous class; their craftsmanship is poor and they work to European designs; it is not certain whether they represent the degenerate form of an old trade or the quite recent emergence of a new one. About the blacksmiths there is no comparable doubt, for 'blacksmithing is a fundamental craft of the Yorubas'. But the craft to-day is in a state of transition and strain. In its traditional form it was—and still is—a closed family craft whose practitioners claim descent from a common ancestor, the god of iron. A family guild in one town still retains its strict code of rules, which include exogamous marriage, the prohibition of work in brass and of whistling in the forge, and the imposition of fines, or confiscation of tools, in punishment for the breach of any rule made by common consent. A similar guild in another town employs the same punishments to enforce attendance at meetings and the observance of minimum prices. But the rules are not all penal; the guild has a club house, and here the smiths assemble every thirty-two days for discussion, drumming, and jollity. These blacksmiths who maintain their traditional societies and retain their traditional methods make only a limited number of articles—hoes, axes, traps, cutlasses, knives, and so on. They are suffering from outside competition, and there are signs that their societies will disintegrate internally; for the unity of faith and idea which binds them in their craft is being undermined by the influence of younger men who have accepted Christian or Islamic teaching. Moreover, it is only the better workers who can still be sure of making a living. Their rivals, the 'modern' blacksmiths, have been for the most part trained in government employment. They are not bound together by ties of family or tradition, and though they have made some abortive efforts at price combination, they do not constitute a society. They are Moslems or Christians who despise the traditional methods; they use European hammers and anvils and even drilling machines. They do not make hoes or cutlasses; they spend much of their time on more ambitious jobs, like lorry repairing. Some of them—a humbler band—have taken to the tinkering industry. They do

and A. Hunt Cooke (1936, unpublished). The authors of this report are officials of the Nigerian Department of Education.

soldering work, mend pots and pans, and have recently begun to produce on quite a large scale kitchen utensils and other articles from materials which wasteful Europeans normally discard—petrol cases, milk or jam tins, the wire from packing cases, beer-bottle-tops, and so on. There are other metal-workers who belong entirely to the new order. Bicycle repairers, for example, find plenty of work to do. Usually they do it very indifferently—particularly if it is the repairing of brakes!¹

There is no need to quote any more illustrative detail. Some readers may feel that too much has been quoted already. Does not this petty palaver about tinkers and bicycle repairers come as an anti-climax after the really urgent matters of policy which this chapter has considered? It may seem so . . . but Adam Smith did not think it beneath him to discover significant truth by observing the trifling matter of the manufacture of pins. In the Yorubaland smithies, both old and new, we may see, as through a magnifying glass, examples of an economic change which matters a great deal to West Africa. More hazily (for there are some things which statistics cannot chart and measure) we may discern truth of another order. It is not only economic change which our search reveals, but a cultural crisis.

The same phenomena which the economic historian describes in terms of technique and cost present themselves to the artist's eye as a problem of aesthetic quality. On the untidy fringes of western industrialism ancient crafts and the societies which practise them and the standards of skill and beauty which live in them disappear into the cheapness and ugliness of a brave new world. In Europe itself a traditional and living culture, with national and folk variations rooted in particular soils and languages, is overlaid by the substitute-culture of mass industrialization and mass literacy—the commercialized product which an earlier generation of Germans called *Kitsch*. European creativeness of eye and hand, though it is struggling to reassert itself, has not yet found confident and harmonious expression in the new order of utility and mechanical technique. The colonial cultures which have been brought within the orbit of this new order have found its power overwhelming. They

¹ In 1936 there were 102 members of the 'Abeokuta Cycle Repairers' Society', of which the Alake was patron. The society had laws for the regulation of prices, but not for the maintenance of standards of workmanship. It would be possible to enlarge at length on the economic importance of the bicycle in West Africa. For example, in the palm-oil country it now plays an essential part in commodity-transport. There are also cycle passenger-transport services: first-class fares are pedalled up the hills, second-class must get off and walk.

cannot reject the utilities which it brings to them; but these utilities are not their own creation: in accepting them they forfeit their own creative tradition—the processes through which it works, the standards which it embodies, and the way of life out of which it has arisen.

These things are happening rapidly in British West Africa. Must they be accepted with passive resignation? Is there no way by which African tradition may actively appropriate to itself the new material order and find positive expression within it? A group of men at Achimota College in the Gold Coast believes that a way may be found:

'Pottery', these men say,¹ 'is going; weaving is going; brass casting has gone altogether, except in those areas beyond the reach of European penetration. This means not only economic loss to the craftsmen, but the loss of beautiful things to the user. . . . Must the old aesthetic values, then, disappear for ever?'

The chronicle of loss is a dispiriting one; but the answer to the final question is a resolute 'No!' The drive of economic tendency cannot be resisted, but it may be guided. A good deal of evidence examined in this chapter suggests that a more balanced and diversified system of production is likely to arise, not only on the land, but to some extent in the towns as well. The tinker trades have already blossomed into a home industry supplying African households with utensils made out of petrol cases and old tin cans. Why should not West African potters profit by the same opportunity? Why should they not make better household utensils from West African clay? The pottery at Achimota is already producing water-coolers considerably below the cost of the articles formerly imported from central Europe. There is no reason why Gold Coast potteries should not supply the demand for the earthenware pipes which the health officers want to see used for anti-malarial drainage.² Achimota has already produced roof-tiles which are economical, practical, and pleasant to the eye: here is an alternative to the hot discomfort and ugliness of galvanized iron!³ The prospect begins to widen. If the ruined crafts

¹ I quote and shall quote below from a series of documents dealing with the proposal to establish an 'Institute of West African Culture' at Achimota College. The proposal was first made in 1937: since then it has been carefully studied and has won powerful support.

² See *Gold Coast Colony. Report of the Medical Department for the year 1938*, p. 15.

³ The tiles have been called economical; but, in the Accra district, this must be qualified by the extra cost judged necessary for protection against earthquake, following the visitation in 1939.

cannot be restored, the craftsman's skill may nevertheless find expression in new industries.

This is the programme of the Achimota group:

'It is', they declare, 'a hopeless task to revive and perpetuate the old home crafts. The social order out of which they sprang and in which they flourished is passing away. Even if they could be revived, they would still be dissociated from twentieth century African social needs; they would be curio trades—indeed, they are more and more curio trades already, if they are not dead. . . .

'If the crafts cannot be revived, they can be transformed. This transformation can be effected by the marriage of the old aesthetic skill and power to a modern technique. If pottery is to be saved it must be in a new kind of potters' craft shop where Africans with the old pottery in their fingers learn the use of the wheel and the kiln by experts imported for the purposes. . . . We recommend that certain dead or dying local crafts be selected for experimentation with a view to transforming each one into an industry.'

Here is a plan for action.¹ It is severely realistic in its criticism and its choice of means, but the end at which it aims is nothing less than 'reconciliation between the civilization of Europe and the old African culture'.

This chapter ends, not with the recording of an achieved success or even of a task which has been set in hand, but with the affirmation of a need and of a hope. It may be the hope is visionary. But visionaries and their visions have played an important part in the history of British West Africa during the past century and a half. That history has here been told as an evolution of 'the traders' frontier', intricately unfolding itself and dragging behind it the political frontier of British rule. But trade is not the only power which has brought British sovereignty into West Africa; missionary enterprise and humanitarian resolution have been a persistent influence, at times the dominant influence. The 'missionaries'

¹ The proposal is that experimentation should at the outset include eight industries—ceramics, glass, textiles, pigments, cabinet-making, leather-working, metal-working, architecture. The trial period would be for five years, and the test of success not merely aesthetic but severely economic. Any industry which at the end of the five-year period seemed unlikely to be remunerative would be scrapped. The intention, of course, is not that the Achimota workshops should themselves become profit-making concerns (though some of them might in fact make a profit) but that craftsmen trained in the workshops should establish their own businesses. (Here, incidentally, might be found some of the credit-worthy Africans referred to on p. 293 above.) The programme is also one of anthropological and social research, for the experiments in crafts and industries call for a background of understanding of the old society which produced the craftsman's skill and the new society in which that skill must find a different expression.

frontier'¹ has remained what it was in the great days of the anti-slavery crusade, a moral force vigilantly on guard against perverted forms of commercial activity. It still remains ready to call governments to account for their actions.² But it has also become an influence which is continuously operative, not only in government but also—though the traders are probably unaware of it—in commerce itself.

The 'genus coaster', Mary Kingsley observed, was divided into three classes—traders, missionaries, administrators. She lamented the misunderstandings, cross purposes, and frustrations which prevented these three classes from acting together as members of a single society harmoniously performing Europe's essential work in Africa. Many of these misunderstandings and frustrations remain to this day. They are regrettable. Nevertheless, unity of direction might well be bought too dearly if it meant the totalitarian absorption of all activities into government. There is need for more positive action by governments, both as initiators and regulators; but there are some forms of experiment and creation which must arise direct from the activities of communities and classes. The feeling grows, as one studies the record of change in West Africa from the last days of the slave-trade up to the present time, that the supposed conflict between freedom and law is false, and that what a growing society needs is more of both. How great has been the growth of both during the past hundred and fifty years! It has already transformed West Africa. Yet how great remains the growth which must be demanded of the future!

¹ On the 'missionaries' frontier' as a symbolical expression see this *Survey*, vol. ii, part i, p. 71.

² *Ibid.*, pp. 117-20.

CHAPTER III

REVIEW

It might seem desirable to publish the two preceding chapters just as they stand, without any additions or comments, as a contribution to the study of African problems. African problems, taken by themselves, are sufficiently important and complex. But in this book they cannot be taken by themselves. The chapters now published are only a small part of a *Survey* which has been growing and changing through eight consecutive years. Some effort must be made to relate this part to the wider themes of the whole book.

It is not, however, possible to fulfil all the promises which were made earlier. At the end of his first volume the writer undertook to test two resounding generalizations. The author of the first generalization is a German; the author of the second is a Georgian. According to the German the idea conveyed by the words 'Commonwealth of Nations'—the idea of a free political society combining distinct and individual nations on a basis of equality—is an illusion. Not the British Commonwealth, but the British Empire, is the reality; and what makes it real is the rule or influence which a single 'aristocratic nation', the British, exercises within its boundaries. This German regards the British achievement with friendly admiration. The Georgian (who is none other than M. Stalin) is equally insistent that the reality is not British Commonwealth, but British Empire: he does not, however, admire the Empire. To him it is a brutal and brittle thing, the oppression and exploitation of subject races by the doomed capitalist class of Great Britain.¹

The promise which the writer made five years ago to 'confront these generalizations with the facts' now seems to him rather naïve. The facts which he has examined are too limited in their range to cover the whole field of controversy. Whether or not the British are a *Herrenvolk* is not a matter which can be decided by laborious persistence in the examination of documents and the inspection of colonial administrations. Until the students of human biology make up their minds whether the conception of 'superior races' and 'inferior races' possesses any validity,² the student of a short historical period need not rack his brains to decide whether or not a particular people is 'superior'. For the present the historian is justified in maintain-

¹ See this *Survey*, vol. i, chap. viii.

² See Julian Huxley, *The Uniqueness of Man* (London, 1941).

ing an attitude of sceptical reserve. He cannot fail to observe the propagandist associations of the conception of *Herrenvolk*, which in one form or another has repeatedly commended itself to the nations which wish to justify and glorify their possession of empire or their determination to acquire it. The innate superiority of the French, or the Germans, or the Portuguese is a good enough theory for the orators and scribblers of national self-glorification. No doubt there are still Englishmen who believe in their racial superiority as fervently as the Germans believe in theirs; but if this belief is made the sole canon of historical interpretation, it will conflict with other historical ideas which have at least as good a claim to be considered realistic. The history and the existing constitution of Canada become nonsensical unless justice is done to the struggle by which the French, no less than the British, fought their way to the conception of free collaboration between equal partners. The 'autonomous nations of the Commonwealth' cannot admit that the theory of association propounded by the Balfour Committee of 1926 and the Statute of Westminster 1931 is entirely without meaning. And is it not equally unsatisfactory to explain British rule in Africa simply by labelling the British people 'aristocratic'? In the preceding chapter the story of British expansion in West Africa has been told as a story of slavers and palm-oil captains, of chartered companies and agricultural officials, of administrators and missionaries. Would the story have been told any more truly if the British had been glorified as an *Herrenvolk*? Could it have been told at all if the ideas of Wilberforce and Adam Smith, of Mary Kingsley and Lord Lugard, had been excluded from it?

The evidence examined in this volume does not justify any pronouncement on the degree of validity which the racial interpretation of history may possess. Before such a pronouncement can be made the scientists whose business it is to study 'race' must build up an organized and agreed body of knowledge on this subject. Let us hope that they will attack their problem with scientific integrity. Meanwhile, the historian's integrity compels him to make use of many guiding conceptions which have nothing to do with race. He must point out to the British people that they will never understand what they have achieved, and what they are, if they forget the hard-won ideas and beliefs which during the past century and a half have guided and inspired them in their adventurous journeys through a wide world—the ideas of Burke and Smith and Durham, of Wilberforce and Fox and Livingstone.

The second generalization, identifying empire and exploitation, can be examined rather more profitably by the method of factual

investigation. But once again the examination must be inconclusive, because the validity or invalidity of the generalization will not be established by even the most competent analysis of those immediate problems with which the student of a colonial territory is concerned. The generalization is more broadly based on an analysis of the economic and class structure of western society and on the deeper tendencies which give to local problems their immediacy. Until the historian realizes this, he is liable to expend some of his energy in fruitless disputation. There is a passage in Aldous Huxley's novel, *Point Counterpoint*, in which a British Fascist corners and harangues a mild-mannered nobleman whose passion is scientific research. The Fascist is certain that he has found the proper way of setting the world to rights, and the nobleman listens to him with courtesy and patience. He is quite willing to believe that there is some sense in his companion's volubility; but one thing puzzles him. 'What', he asks, 'do you intend to do about phosphorus?' The student of West African problems finds himself in similar fashion at cross purposes with the generalizing sociologist. 'What', he is tempted to ask, 'do you intend to do about the lack of exchangeable bases in the soil of south-eastern Nigeria? Have you studied the transmission of *swollen shoot of cacao*? What do you think about the market prospects for palm-oil with more than 10 per cent. free fatty acid? Do you think we should write off as a failure the green manuring propaganda? Can you tell us whether the prosperous villagers of the Cocoa Belt are reducing their consumption of carbohydrates? Are you interested in the tenurial problems of the Yoruba, or in their craft guilds? . . . What! you are not interested in any of these things? Then surely you have no right to lay down the law about British West Africa!'

There would be, in present circumstances, some justification for a counter-attack conducted on these lines. Many of the writers who most zealously uphold the exploitation theory of colonial rule are not sociologists at all; they are militant *croyants* who have given themselves to a cause. They have no real interest in fact of any kind; they will quote the investigator when his findings seem to support their dogmas, but when his findings conflict with them they will ignore him, or else they will attack his intelligence and good faith. And there are other writers who, though they may have no political axe to grind, are incorrigibly deductive in their thought about sociological problems; they are quite ready to prove from the postulate of surplus value that impoverishment and oppression are the rule in British West Africa. It must be so. Why go to West Africa to see? . . . There was a time when monastic map-makers,

brooding over biblical texts, discovered that the world was shaped in the pattern of a T and an O. It must be so. Why sail the oceans to see? Nevertheless, simple-minded sailors who had useful work to do in the world set sail from Mediterranean harbours and charted the capes and gulfs and bays of the European and African coasts. Their maps were called *portolani*. They are respected to-day as an important chapter in the history of geographical knowledge. The monkish maps are remembered merely as an entertaining curiosity in the history of freakish speculation.

The two preceding chapters may fairly be regarded as *portolani*; they trace the actual shapes of economic policy in Africa, and the main currents of its movement. But it would be both unfair and stupid to suggest that such a book as J. A. Hobson's *Imperialism* is nothing more than a T and O map. Many of the writers who identify colonial expansion with capitalist exploitation—Lenin among them—have quarried a large part of their argument from Hobson's work, which is grounded on a searching and wide-ranging analysis of the structure and motive forces of western industry and finance. The problems examined in the present chapters are more restricted in scope, and the conclusions which emerge from the examination do not justify any confident verdict upon the exploitation controversy. They are, however, relevant to the controversy. In particular, they may perhaps promote among the controversialists a salutary respect for the relativity of historical circumstance. They may serve as a reminder that distinctions in time and place and the degrees with which general tendencies operate can be no less important than the general tendencies themselves.

Thought cannot easily be separated from the material on which it works, and presented as a series of 'findings'. If a book is to live, its readers must make themselves participators in the toil from which it has been born; they must be willing to think with the author's thought if they desire to think critically and creatively beyond it. Those inquirers, therefore, who wish to probe the exploitation question more deeply must undertake for themselves the labour of fitting the African material here presented into the different structure of their own thought. What follows is nothing more than general guidance. It is to be hoped (it cannot unfortunately always be assumed) that the inquirers have defined what they mean by exploitation, either with reference to the concept of surplus value, or in some other manner. When they set themselves to the task of establishing its presence or absence in contemporary Africa they will at once find themselves compelled to reckon with the fundamental

distinction between 'settlers' frontier' and 'traders' frontier'. In the extreme economic and racial inequalities which are the general rule of the former, they will without much difficulty find ample support for the exploitation theory. Yet they will do well to remember that the most striking of these inequalities—namely the uneven distribution of land between white people and black—has its foundation in the primitive simplicities of a pre-capitalist society. Other important inequalities, and in particular those which express themselves in the wage structure of South Africa and Southern Rhodesia, represent the triumph of organized white labour over the racial impartiality of the large capitalists. No doubt it is possible to adjust the exploitation theory to these facts; but in the process of adjustment the theory will undergo some refinement, and some of its cruder expressions will have to be discarded.

On the traders' frontier, also, this process of refining the theory in recognition of the diversities of time and place will inevitably repeat itself. It will be necessary to distinguish between those territories which possess a mining industry and those which do not.¹ It will be necessary to distinguish between those territories which have admitted planters and those which have not. It will be necessary to distinguish between different types of plantation economy and different phases in the evolution of the types. It makes a considerable difference whether the planters hold their land in freehold or leasehold; whether their leases are long or short; whether the rents which they pay into the public treasury are a real or a fictional charge; whether they possess or are denied the right of exacting compulsory labour. It also makes a considerable difference whether the colonial government spends the income which comes to it from plantation sources upon public utilities and social services, or remits it to the seat of empire as a kind of tribute. These and other important differences are not merely theoretical; they represent historical phases in the evolution of territories like the Netherlands Indies and the Belgian Congo.

British West Africa, unlike the Belgian Congo, has rejected the plantation economy. As a consequence, the area of land alienated to Europeans is negligible, and one of the most obvious opportunities for exploitation is ruled out. The possibility of commercial exploitation, however, is not ruled out. In examining whether or not this exploitation occurs the student will be compelled once again to discriminate. Propagandist writers seem sometimes to suggest that trade is never of reciprocal advantage to both parties, that it always

¹ The miners are not dealt with here: see above, p. 264.

signifies robbery of the weaker by the stronger. If this be true, why all the special fuss about the slave trade? In an activity which is absolutely evil there can be no degrees, but only repetitions and variations of the evil: it does not make much difference whether British ships sailing from West Africa carry the shackled bodies of Africans or the cotton and cocoa and ground-nuts and ginger which Africans have produced. This conclusion is surely insane: there must be something crazy in the logic which leads to it. A healthy reason is compelled to distinguish between 'natural' and 'perverted' forms of trade, between an 'illegitimate' trade like the slave trade and a 'legitimate' trade like the palm-oil trade. The distinction need not be made too sharp. It was a slave captain who composed the hymn 'How sweet the name of Jesus sounds'; and the traders in the palm-oil business used to be called 'palm-oil ruffians'. More important than the personalities and motives of those who participate in the trade are its organization and structure. Still more important is the organization of production which underlies it. If palm-oil and cocoa and cotton were really produced under conditions as miserable as those of the slave ships, there would not be any substantial difference between the slave trade and the 'legitimate' trade which has taken its place. The conditions of production are described in the fourth and fifth section of the preceding chapter: those who have studied them can decide for themselves whether exploitation is present, and if so in what degree. In the fourth section of the same chapter the organization of commerce is described. Emphasis is there laid upon the forces making for combination, though these have been in part frustrated by the counter-tendency towards 'insane competition'. Commercial combination which is not regulated and disciplined by public authority can readily become an agency of exploitation, particularly when it faces (as in West Africa) large masses of small producers whose bargaining power has not been strengthened by counter-combination. Has this exploitation occurred in British West Africa? After a searching inquiry into the local and world-market prices of cocoa the Nowell Commission concluded that the West African cocoa-grower had for a considerable period received considerably more than his strict due. This single example, however, does not prove a general rule. The market situation in other trades, such as the palm-oil trade, has not yet been illuminated by any systematic inquiry. Moreover, the West African must be considered as a buyer no less than as a seller: there is the possibility that he is exploited by being made to pay too dear for what he buys. This is still another matter for careful investigation.

The list of topics which an honest testing of the exploitation hypothesis must take into account grows painfully long.

The present writer began his African studies by making M. Stalin's generalization his leading question; but he found as time went on that the question did not lead him into the heart of those particular problems with which he was most closely concerned. This does not prove the generalization right or wrong; it merely proves that the historian must follow his own method. The complex reality of historical situations can seldom be revealed by the light of any single concept. Take as an example the situation in the West African village of Akokoaso.¹ An inquirer who looks at the village through Marxist spectacles will be quick to observe the growth of inequality in landownership and of the creditor-debtor relationship which joins some Africans to others; but it is possible that he will fail to observe the sensational increase in the village income which is a consequence of its participation in the international division of labour. Adam Smith's spectacles will give the best focus upon this change in the fortunes of the village—and perhaps on some less happy changes which are being prepared by alterations in the terms of trade. There are other aspects and phases of village life which the vision of Mary Kingsley will best illuminate; for it was her insight which first revealed that mysterious landscape where social economy merges into social anthropology, where the crisis of progress and security becomes a spiritual crisis. The different schools and bands of social science are free to use the material which the historian collects for the purpose of formulating or modifying their generalizations and concepts. The historian, in his turn, is free to employ some of these concepts, or all of them if it suits him, in proportion to their usefulness for his concrete inquiries.

The preceding paragraphs have not been written in a spirit of self-justification; but the writer has felt bound to explain how, after setting out to group his material around the concept of exploitation, he found himself handling it in a very different manner. Almost in his own despite he found himself telling a plain story of the evolution which has transformed the traders' frontier into a political society, and has subsequently compelled the administrations to assume economic and social functions far wider than the tasks of law and justice to which, in the beginning, they attempted to confine themselves. The government and parliament of Great Britain have propounded their own theory of this evolution, and of its purpose. This

¹ See above, pp. 275-83.

is the theory of colonial trusteeship. It grew out of the circumstances and ideals of an earlier and an easier age. How has it fared amidst the changes and stresses of the present age?

In conformity with its double parentage in the evangelical and free-trade movements the theory has two sides. The mandate is a 'dual' one; the trusteeship is exercised for the sake both of the 'backward' peoples and 'the commerce of the world'. Under the conditions from which the theory arose each of the two elements in it appeared to reinforce and support the other. By granting equal commercial opportunity to the traders of all nations the imperial power drew the sting from sovereignty and assuaged the international jealousies which inevitably arise when empire connotes economic monopoly or privilege. By the same policy the imperial power safeguarded its colonial subjects against the evils of economic subservience to a single European nation. The open competition of traders from many nations assured to colonial producers the fair market price for their exports; the same competition was a guarantee to colonial consumers that they would not be overcharged for their imports. Thus, to all seeming, Great Britain's colonial system fitted perfectly into that programme of 'the harmonization of interests' which, according to Sir Eyre Crowe, was a necessity of imperial policy. It enabled the British Empire to erect its defences, not merely upon the foundation of armed power, but on the foundation of consent—consent of the peoples in whose interest, and with whose increasing participation, it governed: consent of the whole society of nations who were free to share the material advantages created by just government and impartial commerce This, at any rate, was the official doctrine.¹

In the late nineteenth and early twentieth centuries this conception of commerce and colonization enjoyed high international prestige. Its first embodiment was in the free-trade policy which Great Britain by unilateral decision adopted for herself and her colonies; but it grew into a European conception and embodied itself in international conventions. Even at the time when continental nations were surrendering to the 'national system of political economy' the ideal of commercial impartiality found expression in the most-favoured-nation treaties which mitigated the excesses of protectionist conflict. In mitigation of commercial rivalries overseas the 'open door' treaties went a good deal farther. They aimed at keeping tariffs impartial and also low. Some of these treaties represented a one-sided and impermanent imposition of force; but others—and par-

¹ See prefaces to vols. i and ii.

ticularly those instruments in which the European powers pledged themselves to grant to each other equality of trading opportunity over a large area of Africa—did create a real and substantial measure of European solidarity in the colonial world. In the vast region known as the conventional Congo River Basin this solidarity was affirmed in 1885, and reaffirmed in 1890 and 1919. The year 1919 also witnessed the establishment of the mandates system. This marked an important forward move of liberalism in the colonial sphere. The early experience of frustration in the Congo area had borne fruit: the terms in which the African mandates were drawn and the supervision exercised by the Permanent Mandates Commission ruled out of possibility the evasions which King Leopold had employed to defeat the intentions of the Act of Berlin. In form, Great Britain's conception of the relationship between sovereignty and commerce seemed to be establishing itself as international practice.

In fact, the trend of development was less encouraging. The movement towards freedom and equality in colonial trade was the continuation of an impulse which arose in the nineteenth century and was seriously challenged even then: in the twentieth century a very different impulse became dominant. Even in the areas of positive international agreement the movement was away from freedom, if not from formal equality of trading opportunity. In 1885 import duties were altogether forbidden in the Congo area; in 1890 10 per cent. *ad valorem* duties were permitted; in 1919, by the Treaty of St. Germain-en-Laye, all limitations upon tariffs, excepting only the proviso against formal discrimination, were removed.¹ Outside the area of international agreement tariffs became increasingly formidable and discriminatory: the imperial preference systems of France and Portugal showed how colony-owning powers intended to act when their freedom was unfettered. France also revealed a determination to enlarge the area of her unfettered imperial decision. In 1898 France and England had by mutual agreement extended into West Africa the system of commercial equality which prevailed in the Congo basin; but in 1936 France denounced this agreement and brought her West African possessions into the preferential system of the French Empire.

By this time Great Britain herself had turned her back on the policy which she had originated, and set her feet along the path of imperial privilege which other colony-owning nations were following. The British Dominions had long since been urging her along that path, and one of the great parties in the British State had made their

¹ *Informal* discrimination has been dealt with in vol. ii, part i, pp. 78-9.

arguments its own. This story, and its culmination in the Ottawa Conference of 1932, has been told in an earlier part of this volume from the Dominions' point of view. But the Colonies were also affected by Great Britain's undertakings at Ottawa. The 'open door' of the dependent Empire was now closed, except in those territories where the closure was prohibited by international stipulation. In 1932 the British revolt against trade impartiality took the form of preferential customs duties. In 1934 it took the new form of import quotas, directed principally against the Japanese.¹

How far has this revolution in commercial policy impaired the principle of the dual mandate? Can Great Britain still claim that she harmonizes her imperial interests with the interests of other nations and those of the colonial peoples for whose well-being she is responsible? It can hardly be disputed that foreign nations now challenge Great Britain's imperial position far more vehemently than they ever did in the day when she remained constant to the principle of the open door. Admittedly it would be unjustifiable to assume that this new challenge has been wholly or even primarily a consequence of the change in British policy. The very nations which have trumpeted abroad their grievances against the British Empire have openly advertised the most extreme programmes of monopolistic exploitation in the colonial empires which they hope to acquire for themselves. Moreover, the damage which they have suffered is incomparably less than that of which they complain; critical study of the 'colonial question' has made it clear that only a small proportion of the foodstuffs and raw materials consumed by industrial countries is of colonial origin.² Despite all this it cannot be denied

¹ The new policy expressed itself in British West Africa as follows: Sierra Leone and the Gambia were at once brought into the preferential system: the Anglo-French convention of 1898 kept Nigeria and the Gold Coast outside it. Even when the French denounced this convention in 1936, very strict obligations of tariff impartiality remained incumbent on Great Britain in virtue of a treaty made with Holland in 1871, when Dutch possessions in the Gulf of Guinea were transferred. Nations enjoying under treaty M.F.N. rights shared the advantages conferred on the Dutch; but the extent of the geographical area was dubious. The British government maintained that not only Gambia and Sierra Leone, but even Nigeria, lay outside the Gulf of Guinea. It did not, however, press the contention about Nigeria, and it never questioned its obligation with regard to the Gold Coast. The Gold Coast could not give preferences, but it could and did receive them. All the West African colonies have adopted the system of quota regulation; but the Gold Coast has worked out a unique system under which it assigns import percentages, not only to foreign countries, but to Great Britain also.

² See particularly the League of Nations *Report of the Committee for the study of the problem of Raw Materials* (Geneva, 1937) and the text and references of two Information Papers issued by the Royal Institute of International Affairs: No. 18, *Raw Materials and Colonies* (1936); and No. 23, *Germany's Claim to Colonies* (1938).

that the new preferential tariffs and quotas are intended to penalize foreign trade for the benefit of British trade. The extent of the benefit, and the measure of foreign losses, are in all likelihood both exaggerated; this is a matter for expert inquiry.¹ There can, however, be no doubt that the new policy has not altogether missed its aim, and that foreign traders have as a consequence suffered.² Under these circumstances it would be rank hypocrisy for the British Empire to pretend that it has no responsibility for the new discords which have invaded international economic relations, or that it remains, in the old sense of the phrase, 'trustee for the commerce of the world'.

Has Great Britain, by her change of commercial policy, similarly impaired the trusteeship which she professes to exercise on behalf of weaker colonial peoples? The tariffs and quotas which she imposed in 1932 and 1934 aroused protest in some British colonies, just as they aroused complaint among foreign nations. In Ceylon an open clash occurred between the State Council and the British government over the Ottawa preferences; the quota system was imposed by order-in-council in flat disregard of its rejection by the Board of Ministers.³ In the Straits Settlements legislation imposing the quotas was carried by the official majority in face of unanimous opposition from the unofficial members of the legislature.⁴ The leaders of public opinion both in Ceylon and in the Straits Settlements argued that the interests of the people were bound up with freedom of trade, and that they were being sacrificed to Great Britain's interest in a sheltered imperial market. This argument would have seemed self-evident to the dominant economic opinion of nineteenth-century Britain. A policy designed to hinder cheap imports and thereby restrict consumption would then have been deemed incompatible with imperial duty. Many people in Great Britain opposed the tariffs and quotas of the nineteen-thirties precisely on these grounds. With telling effect they told the story of rubber shoes.

¹ A careful statistical examination has been made by Dr. C. Leubuscher and will, I understand, be published by Chatham House. Statistical method does not, of course, give a conclusive statement of the effects of policy: the difficulty of disentangling the influence of various factors operating simultaneously has been described above, part i, pp. 230-2, in a discussion of the Ottawa policy.

² This can be very clearly seen by comparing the national origin of imports into a territory within the preferential system and an adjacent territory still under the open door. The *Trade Reports* of the Gold Coast (e.g. for the year 1938, pp. 13, 15, 17) show how the quota policy adopted there was in danger of being defeated by the flow of Japanese goods through British Mandated Togoland.

³ See *The Times*, 7th Feb. 1933, and *J.P.E.*, 7th Oct. 1934, p. 985.

⁴ *Manchester Guardian*, 12th June 1934.

Rubber shoes are a protection against hook-worm and other infections from the soil; colonial health officials are anxious that they should be distributed widely. But British manufacturers are anxious to hold imperial markets against the Japanese, who can make shoes more cheaply. Imperial sovereignty therefore protects the British manufacturers against Japanese competition. The result is dearer and fewer shoes, which is bad for everybody concerned, except a few British manufacturers—and the hook-worm.¹

Is this line of thought conclusive? Even if it is a sufficient guide to the problem of colonial imports, it still does not touch the problem of colonial exports. In the nineteenth century it was generally assumed that free trade benefited colonial peoples as exporters no less than as importers, because it assured them the boon of a competitive world price. But nowadays this competitive world price is more often a bane than a boon. Glutted markets, falling prices, and restriction schemes have become familiar features in the economic life of primary producing countries. The circumstances amidst which Great Britain turned her back upon nineteenth-century policies were circumstances which men in the nineteenth century could hardly have anticipated; none of the trade depressions which they experienced could compare with the ferocious spin dive into ruin which began at the end of the nineteen-twenties. Surely it is perverse to discuss Great Britain's change of policy without paying any attention to the economic blizzard in which the change took place, and without observing the steady deterioration in the economic climate of which this blizzard was a portent? And surely it is myopic to ignore the part which the self-governing Dominions played in effecting the change? Their attitude gives flat contradiction to the notion that imperial preference is necessarily an act of oppression committed by a sovereign industrial metropolis against helpless agricultural dependencies. It was their persistent initiative which prepared the change in British policy. They knew their own interests, or rather they thought they did. What they wanted was a shelter in British markets for their exports of food and raw materials. They were prepared to pay for this boon by giving increased shelter in their own markets to British exports of manufactured goods. From the economic point of view, as an earlier chapter has made abundantly clear,² this

¹ In 1933 the duty on rubber shoes in Sierra Leone was 30 per cent. *ad valorem* general, 20 per cent. preferential. In 1934 it was 80 per cent. general *ad valorem* (or 2s. specific) and still 20 per cent. preferential (or 6d. specific). The price rose sharply, and sales declined by more than 20,000 pairs. This decline may perhaps be in part accounted for by the better quality and durability of the British article.

² See this *Survey*, vol. ii, chap. iii, sec. 4. Reference may also be made here to the

bargain was not precisely a mountain peak of human wisdom; but from the moral point of view it could hardly be described as an abyss of human depravity. At the very lowest it represented the morality of *do ut des*. Despite all the wrangling and haggling which went to the making of it, it represented also the genuine desire of sister nations to give each other mutual aid. If pressures and aspirations of this nature induced the self-governing nations of the Commonwealth to combine in a system of imperial preference, how can the inclusion of the other parts of the Empire be ascribed altogether to sinister motives? Admittedly there is a very great difference between the voluntary give and take of self-governing nations and the unilateral decisions by which a sovereign nation judges, not only its own interests, but those of its dependencies. But it cannot be assumed that the judgement is wholly biased. In 1932 Great Britain gave to the colonies the same privilege which the Dominions demanded—sheltered markets. Was it inequitable to expect that the colonies, like the Dominions, should undertake some obligations of reciprocity? This line of thought is not merely a plausible justification of British policy; it did really play a considerable part in determining the policy. To cite but one example: the supplementary preferences granted to colonial (and particularly West Indian) sugar were granted as a sequel to Lord Olivier's report on the parlous state of the colonial industry, and even then fell considerably short of what Lord Olivier advocated. Anyone taking the trouble to go through the Ottawa schedules could make an impressive list of similar preferential advantages granted to colonial producers who badly needed help.

The story of imperial preference, it is now clear, cannot be told simply as a dirge for free trade and a lament for departed virtue. Rather should it be told as the story of commercial policy in the Old Empire is now told. Historians once believed that they explained this policy adequately when they denounced British selfishness and greed. The researches of George Louis Beer, thirty or more years ago, proved that the reality was more complicated: if Great Britain imposed restrictions upon American industry and trade, she also imposed them upon her own people: if she demanded privileges for her own production and commerce, she also granted privileges to the colonists. Every reputable American historian since Beer has

restriction schemes. These also hardly represent 'a mountain peak of human wisdom'; but, like the preferential duties, they represent a departure from *laissez-faire* principle, undertaken under the pressure of necessity with the intention of benefiting producing interests.

admitted that there was an element of genuine reciprocity in the 'old colonial system'. But recent historians have carried the matter considerably farther. Their researches have revealed the unequal incidence of the burdens which this system imposed, and the unequal distribution of the favours which it granted. Ideally the system may have been reciprocal; but some colonies did very well out of it, whereas others did impossibly badly.¹ . . . May it not be similarly necessary to pass into this third phase of judgement upon the resurrected protectionist and preferential policies of the contemporary British Empire? It is not enough to denounce British policy as egotistical. It is only just to recognize that there is a sharing of burdens and an exchange of favours. But it may well be that some colonies, or some sections of colonial producers, get more than their fair share of the favours, whereas others bear more than their fair share of the burdens.

In the Dominions, it has been shown already,² the truth is indeed so. Dominion experience throws as much light upon the sequels of the Ottawa policy as it does upon their origins. In Australia the sequel was a struggle between the 'closer settlement interests' which benefited from the shelter given in British markets to Empire lamb or butter or dried fruits and the 'sparse pastoral interests'—notably the wool growers—whose economic health depended on the maintenance of wider markets. Amidst this struggle of separate interests the people and government of Australia gradually achieved a truer understanding of the common interest; they realized that the benefits of preference might be bought too dearly, and that there must be some adjustment of claims between industries which could find shelter in imperial markets and those which could not find this shelter. The doctrine of imperial self-sufficiency at first sight seems very sound to those producers who find the imperial market sufficient, or nearly so. But those who depend for their livelihood on the great export staples, such as wheat and wool, are more likely to be impressed by the fact of imperial self-insufficiency. A detailed examination of colonial commodities, if there were time to undertake it, would almost certainly show that in the colonies, no less than in the Dominions, there are diverse and conflicting interests. The tobacco preference has been effective; it is hardly an exaggeration to say that the colonial tobacco industries have been built on it. Almost the whole of Nyasaland's exports can be absorbed and sheltered in the British market. But the chief exports of British West Africa cannot

¹ See this *Survey*, vol. ii, part i, pp. 38–40.

² See this *Survey*, vol. ii, part i, chap. iii, sec. 4.

find adequate shelter in this market. Imperial preference will not in the long run solve the marketing problems which vex the producers of cocoa and palm-oil and ground-nuts.

Recapitulation of these economic problems will show that they make a most formidable tangle; it looks like deadlock. The British Empire is no longer 'trustee for the commerce of the world'; it has closed the open door of equal commercial opportunity, and has by this act created new conflicts between its interests and those of foreign nations. But, in taking this action, it has by no means shown a wanton disregard of the interests of its colonial subjects. To some extent at least it has been moved by a sincere concern for their interests; it has tried to make them participators in advantages which the Dominions claimed and won. The two elements contained in the dual mandate have thus come into conflict with each other. The trusteeship exercised on behalf of weaker peoples is not flouted, but fulfilled, when they are given special help in British markets; but the trusteeship exercised on behalf of the society of nations is impaired when preferences are exchanged, as in equity they should be. To make the tangle worse, the advantages arising from the exchange of preference appear to be strictly limited. While foreign nations are alarmed and angered by the penalties newly imposed upon them in the markets of the British Empire, producers in the British Empire must still face the music in foreign markets, because the Empire's markets cannot possibly absorb all the commodities which they have to sell.

If the reversal of nineteenth-century policy were nothing more than an arbitrary and irrational act of selfish power, physicians and pastors of the body politic could give simple counsel: let Britain see the light again and return unto the Lord. This counsel has in fact been not infrequently given. Some people have argued that the deadlock could and should be resolved by returning to the open-door policy of an earlier age, and pursuing it with a new resolution. This would mean, for Africa, British action to secure international agreement on the following minimum programme: a return to the original prohibition of tariffs in the Congo area, or a return at least to the low revenue tariffs stipulated in 1890; the elimination of quotas; the elimination of the multitudinous devices of administrative protection; the extension of this restored and reformed liberalism beyond the Congo area into all Africa south of the Sahara. Indeed, it is sometimes suggested that all Africa south of the Sahara (excepting only the Union and Southern Rhodesia) should be placed under mandate. This suggestion is made—among other reasons—because the

mandates system has proved itself a stronger defender of commercial equality than the international conventions which preceded it.

By this programme, it is suggested, the 'harmonization' of imperial interests with world interests can be restored. Can the 'economic harmonies' of the nineteenth century be restored also? Are the outlook and policies of the nineteenth century adequate for the solution of twentieth-century problems? Surely there have been important changes in the fundamental conditions to which policy must adjust itself. Let it suffice at present to recall once more two changes which have been repeatedly discussed in this volume. First, there is the progress of commercial combination. How can a policy founded on the assumptions of unfettered individualistic competition make itself effective in face of The United Africa Company—to say nothing of that vast combination of which The United Africa Company is only a subsidiary? Secondly, there is the growing saturation of raw material markets. How will nineteenth-century measures subdue this twentieth-century menace? A restoration of the open door may give some help to the colonial peoples when they go to the shops and booths as buyers. But many profound changes must begin to operate in many countries outside Africa if it is to give them much help when they go to the produce markets as sellers.

The statesmen of the twentieth century must attempt to solve twentieth-century problems by measures appropriate to their own time. If they are to succeed, they must learn to see the broad outlines of this time, not merely its details. The historian can help them. His perspective view of the past throws into relief the contrasting shape of the present. Recognition of change, and of the necessity for further change need not be depressing. It may be inspiring. Through comprehension of the achievement of their predecessors, the men of this sorely tried age may attain a truer vision of the achievements which are demanded of themselves.

Throughout the nineteenth century the vision of Adam Smith guided the economic energies of the British people, and for the greater part of the century the British people led Europe—though it was a Europe which grew increasingly impatient of British leadership. This impatience was voiced by List as early as the third decade of the century. List disliked the thought of Smith and his followers both because it was 'cosmopolitical' and because it favoured British interests. He saw that Great Britain, by her flying start in the industrial revolution, was making herself the world's workshop and the world's banker: naturally enough she favoured theories which treated the world as a single economic unit. But a rising nation like

Germany was bound to regard these theories in a different light. So List argued. Behind his argument was the strong emotion of nationalism. The nationalist impetus of the nineteenth century was hostile not only to the universalism of Adam Smith but to his individualism. These two elements were closely bound together, and they were allied with the political conceptions of the eighteenth century. The Rights of Man and the Wealth of Nations stood together. Political manifestoes asserted the right of individual persons to 'life, liberty, and the pursuit of happiness': economic manifestoes defended the 'natural and free' operation of individualist initiative against the irrational interference of bungling rulers. Adam Smith believed that each individual, in seeking his own advantage, was led by an invisible hand to promote the advantage of his neighbours. It was an optimistic conception. It was also a spacious conception. To Smith 'neighbourhood' was not cramped within the confines of national citizenship and territorial sovereignty; it was rooted in the 'natural disposition of mankind', and was indefinitely extended through countless individual decisions expressing themselves in a widening division of labour, destined to cover the whole earth.

Despite the growth of nationalist revolt, the impetus of this eighteenth-century ideal dominated the economic life of the nineteenth century. Fact and theory supported each other. The field of economic collaboration widened just like the widening argument of the Wealth of Nations. Europe, with Great Britain in the van, satisfied the increasing needs of its multiplying peoples by drawing on the resources of the whole world. In all previous epochs—so Malthus told his contemporaries—the tendencies operating to raise the standard of material welfare had with disastrous results been contradicted by the urge of mankind to multiply its numbers. But in nineteenth-century Europe the sanguine anticipations of Adam Smith prevailed over the forebodings of Malthus. The free economic initiative which Adam Smith envisaged wove the strands which joined the industrial cities of western Europe to the pioneer communities on the advancing New World frontiers, and gave to both the means of supporting at a rising standard of well-being their vast increase of numbers. This achievement is impressive by its mere size. It is impressive in a different way because of its indifference to *political* size. Nations which were weak in political power were not elbowed aside by their greater neighbours; for in an economic order so widely liberated from the control of monopolizing sovereignty it was not power, but the intelligent use of resources inside and outside the national boundaries, which brought the largest material rewards.

Some of these weaker nations, it is true, derived special advantages from the possession of colonies. Holland is an example. But, as the century wore on, Holland, like Great Britain, proved herself willing to exchange her exclusive colonial profits for the wider advantages of a free commerce open to all peoples. And other European countries, which had no colonial possessions, prospered none the less by making full use of the mobility of world resources which the practice of that age, though it fell short of the theory, permitted. Switzerland is one example, Sweden another.

Seen from the New World point of view, the achievements of nineteenth-century theory and practice are no less impressive. To cite but one example, it surely is an astounding fact that European expansion in Australia, which in the year of the French Revolution was represented by a single wretched outpost at Botany Bay, should by the end of the nineteenth century have achieved effective mastery of the world's sixth continent and planted in it a flourishing community where many of the aspirations of the Old World's radical democracy found early satisfaction. The economic conditions which made this triumph possible have been described repeatedly in this volume. The growing demand of the Old World for raw materials and food drove the frontiers of the New World forward. Expanding markets signified the prospect of good prices, and the prospect of good prices stimulated investment; in this way Australia secured the material equipment essential to the work of nation-building. In the United States of America, in Canada, in many of the South American republics, the same economic stimulus produced results of the same quality, and in some instances of still more imposing quantity. In tropical countries, also, a similar work of material progress was set in hand, without an accompanying stream of European immigration, through the response of multitudinous private persons to the stimulus of profit, the signals of the price system, the opportunities of the share market. Thus the network of European initiative covered the whole world. However, there were in this expansion significant discrepancies of time and place. Their importance became apparent in the second quarter of the twentieth century, when the old individualist impetus found itself contradicted and thwarted. The patchiness of its unfinished achievement was then revealed. In Australia the foundations of a progressive economic life had long since been laid. In Africa the work was only half begun.

This world-wide economic achievement cannot be understood without some guidance from economic theory; but this is not the only guidance necessary. The foundations on which the achievement

was built were also political. Let it, for example, be remembered that the mastery of the Australian continent was the work of men and women who, generation after generation, enjoyed the most profound security against military interference from outside. The widening division of labour which brought the New World and the Old World together in a single system of economic collaboration was guarded by an oceanic *pax*.¹ Those who enjoyed its benefits were doubtless conscious of its imperfections and its local interruptions, but the present age is not likely to deny its substantial and long-enduring reality. There will be more dispute about the nature of its foundations; different people will evaluate differently the distinct elements of which it was compounded—the balance of power in Europe, the relation of England to this balance, her relation to the United States of America, and the various material and moral elements intermingled with all these relationships. Setting aside these complexities, the oceanic *pax* was in general under the immediate protection of Her Majesty's ships. British sea power was the most obvious prop of that rule of law which, by encouraging individuals to venture their resources of capital and energy beyond the limits of their own citizenship and national allegiance, bound many peoples and countries in the 'great society' of commercial intercourse. The freedoms which flourished within this rule of law were manifold. Not all of them were individualistic. In the eighteenth century Great Britain's American colonies had asserted by armed rebellion against the British Empire their right to the freedom of a distinct Commonwealth. In the nineteenth and twentieth centuries the British Dominions achieved a freedom no less spacious through the peaceful process of growth which transformed the British Empire into a Commonwealth of Nations. The same power which encouraged national self-government within its boundaries was as a rule² favourable to its growth outside them. To a realist like Sir Eyre Crowe a policy which favoured both national freedom and economic freedom appeared the best means of 'harmonizing' the interests of the British Empire with those of the wider society of nations, thereby securing for the Empire the general consent necessary to reinforce its maritime power. Idealists looked forward to a time when the growth of commerce, freedom, and law would outmode all empires and establish in their stead a stable and prosperous international polity.

This review of the constructive work of the nineteenth century may

¹ See above, pp. 162-4.

² As Great Britain became directly implicated in the European balance, exceptions to the rule became more frequent: cf. the Anglo-Russian policy towards Persia.

make that century look like a golden age. It was not that. But it has been necessary to emphasize its positive achievement, because it built the framework within which the present generation has to face the very different problems which confront it. In the period covered by this *Survey* (1918–39) nineteenth-century liberalism fell into deep disfavour. The inevitable rejection of its superficialities and insufficiencies grew too often into a Gadarene rush of reaction against the truth and good that were also in it. Criticism and attack fastened upon its leading principles of individualism and universalism. In the liberal statement and application of both these principles there was much which human intelligence and conscience were bound to find unsatisfactory. The first volume of this *Survey* did justice to the new respect for cultural diversity and the deepening sentiment of national responsibility, which a universalism both abstract and philistine too often disregarded. The present volume has revealed the inevitability of the revolt against *laissez-faire*, and the necessary emergence of a conception of economic freedom deeper than any which the age of 'private enterprise' could conceive. There is no need to recapitulate the argument here; it permeates the whole book.¹ Nor is there any need to survey the fundamental movements of political thought which began even in Adam Smith's time and have moved steadily towards a very different time, in which *le moi commun* has manifested itself in some fearsome shapes. In the economic sphere men have long since ceased to believe in the 'harmonies' which once were supposed to adjust individual initiatives and guarantee justice to individual personalities: the watchword nowadays is 'planning'. But who will direct the planning and control the planned? Hitherto the sovereign state has been the only serious competitor for this office. Appropriating to itself the sentiment of nationality, it has planned, not for the wealth and welfare of nations, but for the welfare—more often for the power—of a single nation. Its economic method has been autarky, its argument and purpose have been war.

In this new dispensation the ideal of the wealth of nations is indeed crowded out. A nation which achieves predominant power may achieve wealth also by commanding the resources of others; but those nations which have been made subservient, or those which for a time remain detached from the competing *blocs*, are denied the

¹ As examples of justifiable protest on grounds of nationality and culture, see the treatment of the indentured labour question in vol. i, chap. iv, and the reflections on African culture in vol. ii, part ii, esp. pp. 148–51. As examples of the inevitable revolt against *laissez-faire*, see the account of New Zealand in the nineteen-thirties (vol. ii, part i, chap. iii, sec. 5); or the account given in the preceding chapter of the evolution of economic policy in West Africa.

opportunity of profiting by the 'natural disposition of mankind to traffic and exchange'. The natural disposition of mankind must bow to the commands of sovereign state or sovereign empire. When the interdependence of the human family is denied, the independence of its weaker members becomes illusory. It is the nations most backward in industrialization which are first brought under the harrow. Throughout the fourth decade of the twentieth century producers of raw materials and foodstuffs began to understand that the world of hope to which they had been accustomed was collapsing around them. It would of course be a wild simplification of the complicated reality to ascribe their plight solely to the mercantilist or autarkic policies pursued by governments. Wheat is no longer 'good'¹ on the prairies and cocoa in the West African forests has been losing its 'goodness' because of the saturation of markets and the collapse of price. The causes are various. Revolutions in agricultural technique and the competition of new producing areas have multiplied supply, while at the same time the slackening of population growth in the old consuming centres and the lack of purchasing power in centres of potential new consumption have prevented a corresponding increase of demand. The policy of governments did not create these mal-adjustments. But neither did it make any serious attempt to correct them. On the contrary, its usual effect was to aggravate them until sometimes they became almost insupportable. Italy's *battaglia del grano* and the corresponding policies of Germany and France did even more to heap misery upon the prairies than the purely economic changes in the market situation had done. Guns instead of butter, substitute raw materials, the concentration of all possible supplies within areas dominated by the armed forces of conflicting sovereignties—these and similar policies were dominated by the competition for power. The result which they inevitably prepared was not the wealth but the poverty of nations.

These judgements are not intended as denunciations. Still less does the writer intend to single out individual governments for special denunciation. His aim is simply to state the essential truth of the historical situation. He is well aware of the complicated causes which have produced the situation; he is in particular aware that it is in part the product of an inevitable and wholesome reaction against the abstract and superficial individualist-universalism of the liberal age. Nevertheless, there are two truths which must be faced. The liberal age desired, and in an imperfect way achieved, international eco-

¹ 'As good as the wheat' they used to say on the Canadian prairies. See above, vol. ii, part i, p. 163.

conomic collaboration. That collaboration has been broken. It desired, and in an imperfect fashion achieved, an international rule of law. The interruptions in that rule of law, the defiances of it, were patent and sometimes flagrant; nevertheless, it was the accepted norm, and it did in general sustain legitimate and peaceful commerce over the world's oceans. But it is no longer accepted as the norm. Its very foundations are shaken. What has shaken them is the *sacro egoismo* of nationalism, generator of the passions which drive the sovereign state.

Amidst this turmoil of ideas and forces the British Commonwealth has struggled for compromise. This word sounds ambiguously; it may signify the unheroic expedients of calculating politicians, or it may signify a deeper wisdom which seeks to balance the demands of tradition and reform, of respect for the past and adventure into the future. The Anglican Compromise of Elizabeth's day signified both; it expressed the shrewd statecraft of a Tudor sovereign and at the same time satisfied the profound rationality and humanity of Richard Hooker.

In the twentieth century it is not religious sentiment, but nationalist or racial sentiment, which is the cause of strife. The British Commonwealth has on the whole approached the task of reconciliation in the spirit of the Anglican Compromise, though the expedients and principles in which that spirit has found expression do not show detailed correspondence with Elizabethan methods. The watchword of the Elizabethan kingdom was 'comprehension'; the watchword of the British Commonwealth is 'equality of status' for the diverse communities associated in its loose society. The persistent attempt to embody this ideal in institutions and conventions was studied in the first volume of this *Survey*; the story is too complicated to summarize here. It is, besides, an unfinished story. In the earlier volume emphasis was laid upon the difficult and unsolved problems—upon 'Ireland unappeased' and the racial strife of Palestine. In the present volume the intractable racial problems of South Africa have been studied. The ideal which the British Commonwealth professes, the ideal of 'equal rights for diverse communities', implies among other things resolute warfare against the substantial inequalities which separate one community from another. South African policy in the period under review has been dominated by a conception clean contrary to this: the Commonwealth theory comes rather battered out of the South African struggle. But it is too soon to draw final conclusions from this experience. The problems of a multi-racial community are far more complex and stubborn than the idealists—

whether of the humanitarian or the segregationist school—are willing to confess, and there is no simple formula of policy by which they can be resolved. In the tension of forces which grips South Africa there are possibilities of destruction and servitude; but there are also possibilities of liberation and life. Which will prevail no man can yet say. But within the British Commonwealth, as it lives, and as to-day it fights to live, there is a story of liberation which can already be told. An historian who has rejected the complacencies and the boasts must take care that he does not also undervalue the achievements. The comradeship and equality which unite the Maori and the European in the Dominion of New Zealand is an achievement. The collaboration of French and British in the Dominion of Canada is an achievement. The rules of liberty, equality, and fraternity by which the autonomous nations of the Commonwealth live their own separate lives and defend their own common life is an achievement—a moral achievement of the basic human goodness which is no monopoly of any single people, an intellectual achievement of political and juristic ingenuity, expressing itself in institutions and conventions deeply rooted in the history of Great Britain. If anyone feels disposed to deny the possibility of progress in the difficult art of politics, let him contrast the eighteenth-century theory of the British Empire—the rock of sovereignty on which the Empire split—with the Statute of Westminster, 1931. And let him remember, as he studies the creative transformation which guided a century and a half of Canadian history, how this transformation may affect, how it has already affected the relations between Great Britain and the United States, between the free communities of Europe, America, and the South Pacific. Let him also remember Ireland, not with repining and disillusionment, but with hope.

The problem of reconciling the more intimate loyalty and the wider one, of establishing national right within a wider framework of international obligation is not the Commonwealth's problem only. The successes won within the Commonwealth may have prophetic significance for other nations; the successes which other nations achieve will further the project of the Commonwealth. But it is too soon to draw up a final balance-sheet of success and failure.

The success and failure of the Commonwealth's economic programmes during the period under review can be measured with a little more precision. These programmes also have been the product of compromise, an attempt to steer a middle course between the opposite tendencies of self-sufficiency and collaboration. The story has been told from the Dominion angle in the first part of the present

volume, and those readers who wish to understand its intricacies may study them there. The Ottawa Conference is the hinge on which the story turns. If its proceedings were the only relevant document, they would convey the impression of a compromise which was not balanced, but confused, and in its confusion not always disingenuous. But there are other documents to be considered—for example, the two Canadian-American trade treaties, the Anglo-Australian statement of 1939, and the Anglo-American agreement of 1939.¹ The Ottawa Conference met in a time of great extremity and marked the extreme limit of the Empire's attempt at economic self-segregation: the Anglo-American agreement signified that the balance was again inclining towards policies of wider economic collaboration. The compromise was in truth being worked out progressively, not along the lines of a considered plan, but by reaction to the experience which gave the nations of the Commonwealth deeper insight into the economic environment in which their life was set. The strains and stresses of the nineteen-thirties stimulated them to think rather less about generalities and rather more about quantities; their earlier slogan—'Men, Markets, and Money'—began to take shape as systematic knowledge of the real trends in population and migration, the commodity markets, and the movement of capital. They discovered that the problem of markets dominated all others; they also discovered that sheltered imperial markets were too confined to give sufficient scope to their productive energies. They moderated, but did not reject, their policy of imperial preference: what they rejected was the extravagant notion of imperial self-sufficiency. Their compromise, as it began to take shape in the gradual evolution of these years, was compounded of two tendencies: an inward-looking tendency which prompted them, as it had prompted the nationalistic Englishmen of Tudor days, 'to cherish and defend themselves, to hurt and grieve foreigners for the common weal', and an outward-looking tendency, which taught them that too much grieving of foreigners meant too much damage to markets. Alas! foreigners themselves were playing with zest the game of hurting and grieving. If the compromise policy pursued by the nations of the Commonwealth is judged—as it must be—sadly inadequate, it is only fair to remember that the policy had to operate amidst conditions of international dislocation and anarchy which only a sustained international effort could remedy.

The situation in which the colonies found themselves was in some respects similar to that of the Dominions; but there were also impor-

¹ See vol. i, part i, pp. 255-67.

tant dissimilarities. In the colonies, as in the Dominions, the foundations of economic progress had been laid by the response of the profit motive to the price stimulus. Even when governments took a direct part in the work of development, that stimulus remained basic, for the governments looked forward to a return on their capital expenditure from the taxable wealth produced by the flow of colonial products to the world's markets. But in these latter years world markets have become stagnant, and prices have fallen. These adversities have not fallen on colonial producers only; West African peasants have been less grievously afflicted by slumps of price than Canadian farmers have been. But Canada has achieved industrial and financial maturity; she stands on her own feet. The West African colonies have behind them centuries of economic backwardness; the work of attacking this backwardness is only in its beginnings. How will the work be continued, now that the old impulses have lost so much of their power? How can private enterprise expand adventurously when the expectation of profit gives place to an anticipation of loss? How can governments enlarge their programmes of public works and welfare services when they can no longer be confident of their capacity to finance them? Adam Smith seems to be deserting West Africa when he has only scratched the surface of his West African task. But Wilberforce is at this very same time achieving a new conception of his West African task, and is demanding that the governments shall make it their own. The governments have admitted that the trusteeship which they profess is incompatible with material stagnation and dilapidation, with malnutrition and disease, with general illiteracy. They have committed themselves to a new programme of development and betterment at the very time when this programme seems to be negatived by the customary rules of economic and financial prudence.

Are there any new standards to set up in place of the old? The changes in commercial policy have already been examined from this point of view. Their inadequacy has also been made plain. Sheltered imperial markets are an aid to some producers and some colonies, but are no aid to others. The reciprocal shelter given to British exports imposes burdens on colonial consumers. It also reverses the open-door policy and brings the two sides of the mandate into conflict.

However, there have been other methods of reaction to the new situation. The colonial governments have reviewed their agricultural policies. Monoculture has fallen out of favour, and production for export is no longer regarded as the dominating consideration. A

more balanced system of agriculture is favoured—both as a means of raising nutritional standards and as an insurance against depressions transmitted through world markets. Governments which have regarded commerce simply as the outflow of exports and the inflow of imports have now begun to envisage the great possibilities of an internal exchange of goods. There are also a few signs of official interest in the possibilities of simple manufacturing development. All these plans and prospects are hopeful. But quick results can hardly be expected. In particular it cannot be expected that these new developments will in the immediate future enable colonial governments to finance the public works and social services which they know to be essential.

If the admitted need is to be met, the imperial government must come forward with direct aid. This is now official doctrine. In the White Paper published in February 1940¹ the British government assumed direct financial responsibility for a new drive to develop colonial resources and raise the standard of the social services. Here is a radical and striking adaptation of policy to meet the needs of a new time. It contradicts the traditional wisdom of the Treasury, which—except for reluctant relief granted from time to time to the hopelessly indigent—has persistently demanded that each dependent territory shall be financially self-sufficient and content with the services it can pay for.

It will be prudent to remember that the new policy is so far no more than promise; it is not yet performance. It may be prudent—or it may be unduly cynical—to remember that the promise has some immediate propaganda value. Nevertheless, the White Paper is a notable document. It stands like a landmark at the close of the period which has been surveyed in this book. The book may fittingly close with a short exploration of its possible implications.

There is at first sight something paradoxical in its timing. Throughout all the successive decades when the British government and people had plenty of money to spare, the traditional wisdom of the Treasury prevailed—only to be overthrown at a time when Britain's financial prospects were extremely uncertain. Year after year throughout the previous decade the annual balancing of account had failed to show a surplus for overseas investment. The best expert opinion inclined to the belief that Great Britain was suffering an absolute diminution of the resources which in more prosperous times she had accumulated abroad.² And what would the coming time

¹ See Appendix D.

² See above, vol. ii, part i, pp. 181-3.

bring forth? What efforts, what privations would be demanded of the British people in their struggle for survival, in their struggle to repair the destruction of war? Was it prudent for them to assume, at this juncture of their history, an obligation which they had never assumed before—the obligation of expending their own treasure in an attempt to raise to a new level of welfare the backward populations of more than two score colonial territories?

These questions make it obvious that some new conception of economic conduct must be at work. The new conception has been recognized and examined in our earlier study of New Zealand policy.¹ New Zealand emerged from the depression of the nineteen-thirties with a determination to guarantee to all her citizens certain minimum standards of 'social security'. The New Zealand government asserted that these standards must be maintained amidst all fluctuations in the country's economic fortunes. This was an affirmation of allegiance to an ideal which New Zealand had in earlier days shared with Australia—the ideal of a 'fair and reasonable' standard of living which must be made the first charge on the national income. Early in the twentieth century this ideal was considered very radical; but as the century wore on it expressed itself powerfully in British policy also. Indeed, it found expression in the legislation of most European states. There need be no surprise, at a time when the aspirations and sicknesses of struggling Europe are transmitted through the whole world, that the conception of a positive welfare policy should force its way from home policy into colonial policy.

Along with this conception there has come—though it is still confused—a new conception of economic expediency. Economic critics of the idea of 'fair and reasonable' have always fastened upon the problem of costs. Minimum wages and guaranteed social services are, according to their argument, fixed and rigid charges which nations vexed by foreign competition and periodically harassed by trade depressions may be unable to carry: not ethical aspirations, but economic 'capacity to pay' must govern social policy. Paradoxically it was the great depression of the nineteen-thirties which stimulated the most telling counter-argument. Deflationary cost-cutting was widely held responsible for aggravating the downward plunge of the trade cycle; public spending on developmental work and social welfare was widely recommended as a means of sustaining purchasing power and keeping the wheels of industry in active motion. By this line of reasoning social idealism and economic expediency ceased to contradict each other. The 'fair and reasonable'

¹ See vol. ii, part i, ch. iii, sec. 5.

standards which reformers demanded in the name of justice could be approved by practical economists as measures of 'pump priming' necessary for the revival of business.

These arguments became in many countries the slogans of political parties. But the parties which used them found, when they were in power, that the task of translating them into effective policy could only in part be mastered within the confines of a single sovereignty. In New Zealand the subjective conception of a 'just price' inside the nation had to find some kind of compromise with the objective reality of the market price overseas. If the conservatives had underestimated New Zealand's power to fend off the impact of world depression, the radicals exaggerated her power to do so. Experience was bound in time to correct the balance. This New Zealand experience has very valuable lessons for other peoples. The New Zealanders have deliberately placed welfare before wealth in the order of their thought; at the same time they cannot long forget (for their economy still remains geared to export) that their own national welfare depends in considerable measure on the wealth of other nations. From this realization it is but a short step to an ambitious expansion of the welfare argument. The hard-headed Australians took this step when they carried their nutrition propaganda to Geneva. The exporters of food-stuffs want to see 'fair and reasonable' standards in other countries, not only in their own. If welfare policies mean more purchasing power, welfare policies should be encouraged from China to Peru. If 'pump priming' produces limited effects when confined within the limits of a single nation, is it not sound to apply the same remedy on an international scale? In fact, it may not be sound to do so: some kinds of 'pump priming' may have helped some nations to recover just because their neighbours have not imitated them! But this is not the place for close economic argument and the detailed discussion of ways and means. What is being discussed is something more fundamental—the emergence of a new conception of social and economic purpose. Its expression is often crude; its origin must be sought not only among experts, but among ignorant and unlettered men. It is this which gives it potential historical importance; it may perhaps win among the masses the support which Adam Smith won among the middle classes. The present age no longer accepts Smith's equation of private interest and public good: in rebellion against the careless and uneven scattering of rewards and deprivations which is the result of 'free' economic activity, it has summoned public authority to assume direct responsibility for transmuting wealth into welfare. But this public authority has been hitherto the sove-

reign state: its watchword has been, 'The welfare of *our* nation'. If the sense of community has deepened, it has also narrowed. From this narrowing, frustration has been born. From the frustration there may in turn be born a blind revolt, or a new effort of thought and will. May it not be sound, both in ethics and economics, to alter the watchword once more so that it shall read—'the welfare of nations'?

This revision of Adam Smith, it may be argued, will fit the facts of the twentieth century as closely as his conception of 'the wealth of nations' fitted the facts of the nineteenth century. That century witnessed a geographical expansion of material civilization on a scale which was unprecedented in human history. The economic frontiers of the western world advanced to the farthest limits of the new continents. To-day there is no longer any room for advance. The frontiers are fixed. The direct opportunity of new land and life which the New World offered to increasing millions in the Old World exists no longer. At the same time, the productive energies liberated by the settlers and traders and investors who responded to New World opportunity now find themselves constricted by the diminution of population-increase in Europe and by the policy of European governments. An economic order which at the very roots of its nature is expansionist¹ has been compelled to turn inwards. It can no longer sprawl; in some fashion or other it must plan. Throughout the past decade the conception of armed power has increasingly dominated its planning. This conception has flourished amidst economic crisis and spiritual despair; its fruits are destruction, poverty, and a deeper despair. But in the conception of the welfare of nations there is hope. It offers a new stimulus to take the place of the moving frontiers; it promises to an expansionist society the means of living in harmony with its own nature, even in an age when geographical expansion has reached its limits. A struggle to raise the standard of the depressed classes and the depressed areas of the world could have a dynamic effect comparable with the discovery of a new America. Your America, Goethe said, is at home; this is an economic truth to-day, if 'home' is taken to mean not merely the soil of Europe but the whole area of economic collaboration and human need in which Europe is implicated. The America of an earlier hope no longer exists to-day—that empty America remote from Europe, the land of promise, of escape from European evil. For good or ill, the whole society of nations has become 'home'. Here, among the slums of western Europe and the crowded peasantries of eastern Europe, in backward Africa and impoverished China, a vast work of development

¹ See above, vol. i, part i, pp. 41-3.

and welfare is waiting to be done: here are the markets to be opened: here is the new way to wealth. If the new way is resolutely followed, the door of equal opportunity will open once again; for the multitudinous tasks which challenge effort—tasks of soil conservation and agricultural training, medical service and nutrition, education and transport and industrial development—call for an expenditure too large for the resources of a single imperial nation. Trusteeship on behalf of backward and neglected peoples, when it is given a positive economic content, will demand for its effective exercise positive international collaboration. Once again those nations which have no 'possessions' will find the doors of opportunity opening to them.

This is the new conception into which the British White Paper of 1940, with its programme of colonial development and welfare, naturally fits. But it is necessary to insist once more that the programme is so far only a promise, and that the ideal of the welfare of nations, though it has vaguely formed itself in the minds of ordinary men and has sent out its missionaries, is not yet an effective historical force. It may never become one. In a world whose economic activities are so sharply sundered and so masterfully controlled to serve the power-interests of conflicting sovereignties, the missionaries of the new ideal have been little heeded. They may not be heeded in the future.

There is, moreover, a distinction between evangelical fervour and sound doctrine. The conception of the welfare of nations needs to be worked out as solid doctrine. In this doctrine fundamental economic problems must be faced; difficulties about ways and means must be overcome. To cite one concrete example: what function will be performed in West Africa by the great profit-making associations, the modern progeny of that 'legitimate trade' which has been the historical vehicle of economic progress in West Africa? Some bridge must be built between the past and the future. What part will the profit motive play in the future? Will it play any part? If not, what will take its place? The idea of international 'pump priming' needs to be expressed in concrete argument and proposals. Obviously it implies investment without an immediate or a direct return. This is not an easy matter to arrange, and it may not be easy to avoid the booms and slumps which have so often accompanied international movements in capital. It would be possible to make a much longer list of problems which demand examination. But the examination of them would have to be left to others. This book is historical work. It has reached its conclusion by recording the

emergence of an ideal of great potential force. It has at the same time pointed out that there are stiff problems to be faced and solved before the ideal can make itself effective in history. Here is a challenge from an economic historian to economists.

But the challenge is not only to economists. There can be no welfare of nations unless there is an effective law of nations and, within that law, freedom.

APPENDIX A

A NOTE ON MARY KINGSLEY

MARY KINGSLEY went to West Africa to study fish and 'fetish'. Biologists of our own day testify that her work was sound, and anthropologists testify that it was inspired.¹ An historian may be permitted to add his testimony.

She wrote very little history; yet she possessed the three cardinal virtues which distinguish the great historian from the crowd of journeymen. These virtues are attachment, justice, and span. Attachment means self-implication in the thought and emotions and actions of the life which is being studied; it is that capacity for self-forgetfulness and sympathetic insight which enables the historian to handle the actual stuff of the lives which others lead, and to share their experience from the inside. Mary Kingsley made herself a comrade of the 'palm-oil ruffians' and went trading among the cannibal Fans. By direct experience or imaginative understanding she implicated herself in the society which surrounded her and made herself a partner in its way of life. But she did not make herself a partisan for any way of life. Partisanship is the perversion of the virtue of attachment. It is a perversion which occurs so frequently that many timid historians seek refuge in aloofness, and try to persuade themselves that *detachment* is their proper virtue. By a similar process of reasoning, men have sometimes argued that emasculation is the proper safeguard against passion. Attachment is a virtue which must not be eradicated; the cure for its perversions and excesses is justice.

Throughout Mary Kingsley's writings, justice may be seen constantly at work redressing the balance which attachment has threatened to upset. Her attachment to the traders and the Natives threatened for a time to involve her in an unjust vendetta against the missionaries. She disliked the Pharisees who were blind to the achievement of the traders but sharp-eyed in spying out their faults; she detested the 'Man and Brother' cant which covered a contemptuous ignorance of African institutions and religion and was seemingly content to sweep away the traditional restraints and dignity and rationality of primitive society, and put 'rubbishy white culture' in its place. She never ceased to fight this shallow and conceited folly; but she did cease to lay it at the door of the whole missionary brotherhood and sisterhood in West Africa. She discovered the courage and wisdom of Mary Slessor, Mr. Kemp, Dr. Nassau, and other missionaries, and she found that she could work with the Wesleyan missionary organiza-

¹ On the usefulness of her work on fish I have the direct testimony of a biologist in West Africa who has made similar studies. For her anthropological work there is Rattray's tribute to 'that great Englishwoman, Mary Kingsley'. He ascribes to her 'an intuition that seems almost inspired'. See R. S. Rattray, *Ashanti* (Oxford, 1925), p. 81.

tion for the good of the West African people.¹ The justice which ruled her mind was rooted in a loyalty to fact and the habit of criticizing first assumptions in the light shed by new fact. There was another justice which ruled her whole being: it was an ideal of conduct which she pursued with passion:

'We must not', she cried, 'be content with relying on our material wealth and power, and morally on catch phrases. All we need to look to is justice. Love of our fellow men, pity, charity, mercy, we need not bother our heads about, so long as we are just. These things are valuable only when they are used as a means whereby we can attain justice.'²

Mary Kingsley struggled to attain justice by means of knowledge. In the pursuit of knowledge she remained ardently attached to the particular and concrete; but her breadth of sympathy and interest saved her from the specialist's myopia and gave her the quality of span. Span reveals itself in historical or sociological work as an awareness of background; it places the object of immediate and intense study in its proper perspective with the other objects, near or distant, to which it is necessarily related. Attachment is to the particular thing; span is a consciousness of the relations of things. Mary Kingsley hated ambitious generalizations and preferred a wild exaggeration which nobody would take seriously to the impressive formulae which earnest people so often confuse with truth;³ yet all her anthropological inquiries were probing at the relations of things, particularly at the relations between each separate West African custom and the governing logic and emotion which she called 'fetish'.⁴ She recognized with equal insight the distinct but related aspects of British enterprise on the West African coast. She saw that 'the genus coaster'

¹ Mary H. Kingsley, *Travels in West Africa* (Macmillan, 1904 ed.), pp. 23, 147, 296, 324, 488. These references show her hostility to certain sides of the missionary movement and her appreciation of other sides. It may be mentioned (see *ibid.*, p. 296) that she disliked the 'Child race' cant no less than the 'Man and Brother' cant: indeed, she waged constant war against all the different kinds of people who used words 'as if they were Ju Ju'.

² Mary Kingsley, *West African Studies* (Macmillan, 2nd edn. 1901), p. 331.

³ e.g. her classification of mankind into 'Englishmen, Foreigners and Blackmen'! It enabled her to make an important point and at the same time indulge her sense of fun and warn off the pedants who, by applying their concepts of racial classification prematurely, might mislead people into believing that a subject of great complexity had been explained. Her writing is full of similar extravagances or energetic statements which are meant to be only provisional; but all the time she was attempting to compress the essential truth of what she had learnt about African society into ever-shorter statements. She came nearest to success in her Hibbert lecture of 1897 at Oxford: it is reprinted as Chapter xx of the *Studies*.

⁴ *Ibid.*, p. 96: 'I mean by Fetish the religion of the Natives of the West Coast of Africa, where they have not been influenced either by Christianity or Mohammedanism.' Cf. p. 393: 'The essential thing that you must understand when you attempt to understand any West African Native institution is the religion of the Native. . . .' Mary Kingsley's successors do not like her word 'fetish' (she herself had doubts about it), but the best of them have accepted her method and the substance of her thought.

was divided into three species—trader, missionary, and official. She saw that these three species represented three elements—commercial, religious, and governmental—which are essential to every State.

'But in West Africa', she reflected, 'they are apart and opposed, and therefore not a State. You can no more expect to get good government from them as they are than to tell the time from a watch whose parts have not yet been put together.'¹

She attacked the Crown Colony system because of its failure to co-ordinate the energies of the advancing European society and its failure to understand the needs of the changing African society. She believed that its failure to co-ordinate was a failure of knowledge: it was ignorant of British commerce and ignorant of African custom: it had neither an economic policy nor a Native policy. She believed that British society had achieved great things in West Africa; but she feared that British government might throw away the achievement because it did not understand the opportunities of the new age, and did not realize the need for making a clear plan and pursuing it with deliberate resolution.

What should the plan be? There were some people who still imagined that it was possible and desirable to 'leave West Africa alone'. Mary Kingsley knew too much about European history and economics to imagine that it was possible; she knew too much about African anthropology and economics to believe that it was desirable. She knew that it was impossible to prevent women like Mary Slessor from saving twin children whom she picked up in the bush 'considerably eaten into by ants'; nor did she want to prevent this heroic work of rescue.² She understood the debilitating character of the Native diet and 'the degraded condition of their cooking culture'; and she wanted to improve both.³ She understood the connexion between the primitive economic organization of the West Coast and the malnutrition and disease which were rife there. She believed that the people might have been able to do without trade when slave-raiding was keeping their numbers from rising; but she knew at first hand certain congested districts on the coast where the development of trade had already become 'necessary for the existence of the natives'.⁴ Her quality of span enabled her to see all these things in relation to each other. She believed that West African animism represented 'a perfectly natural view of Nature', and that the customs and institutions which rested upon the animistic conception were a respect-worthy achievement of human reason; but she was at the same time aware of the mechanical and economic backwardness which were caused by the inability of the people to understand the action of matter upon matter. As a result of this inability African society remained at a 'thirteenth-century level'. The stimulus of external contacts had throughout past centuries been too spasmodic and discontinuous to arouse among the people the desire and

¹ *Studies*, p. 6 and p. 304.

² *Ibid.*, p. 153.

³ *Travels*, p. 325.

⁴ *Ibid.*, p. 511.

capacity for new forms of thought and life. But the influence of modern Europe had at last come to West Africa, and had come to stay. It was certain to cause a vast transformation. The transformation would have ruinous effects if it were achieved by the blind action of unco-ordinated forces. But if it were guided by science and justice, it would become a blessing.

Mary Kingsley wanted a policy which would enable West Africa's thirteenth-century society to raise itself to its own nineteenth-century opportunity, instead of suffering ruin under the impact of an alien nineteenth century, chaotically thrusting itself upon an unready and unguided people. She believed that British policy had so far failed in its duty; but she also believed that it was not yet too late to correct the failure.

'The destruction', she wrote, 'of what is good in the thirteenth century level, and the fact that when the nineteenth century has had its way the main result is seedy and demoralised Natives, is the thing that must make all thinking men wonder if, after all, such work is from the high moral point of view worth the nineteenth century's doing. I so often think when I hear of the progress of civilisation, and our duty towards the lower races talked of, as if these words were in themselves Ju Ju, of that improving fable of the kind-hearted she-elephant, who, while walking out one day, inadvertently trod upon a partridge and killed it, and observing near at hand the bird's nest full of callow fledglings, dropped a tear, and saying "I have the feelings of a mother myself", sat down upon the brood. This is precisely what England representing the nineteenth century is doing in West Africa. She destroys the guardian institutions, drops a tear and sits upon the brood with motherly intentions; and pesky warm sitting she finds it. . . . "Ah!", you will say, "yes, it is sad, but it is inevitable." I do not think it is inevitable, unless you have no intellectual constructive Statecraft and are merely in the line of the automaton. If you will try Science, all the evils of the clash between two culture periods could be avoided, and you could assist these West Africans in their thirteenth-century state to rise into their nineteenth-century state without having the hard fight for it which you have had. . . . There is absolutely no perceivable reason why you should not do it if you will try Science, and master the knowledge of the Native and his country.'¹

By science Mary Kingsley meant anthropological science, 'the knowledge of Native laws, religion, institutions and state-form'. She believed that a government which possessed this knowledge could use Native institutions as instruments of rule and guidance in a manner which would enable the peoples of West Africa both to preserve their own way of life and to adapt it to the necessities of the new age. She did not desire to delay the advent of the new age; on the contrary, she desired to hasten it. She thought it 'no disgrace to England that the traders are the expanding force for her in Africa' and she propounded a scheme for associating them with the government.² She knew that a government which intended

¹ *Studies*, pp. 326-7.

² *Ibid.*, p. 252, and ch. xiii *passim*.

to substitute a 'natural' economic life for the 'perverted' slave-raiding economy must command revenue, and she was even prepared to encourage plantations should they prove a necessary means of economic development. She was also ready to qualify 'the general policy of ruling on African principles through Native rulers' by the establishment of considerable districts under European law, where progressive Africans who found the old order pressing hard upon them might—like the medieval villagers who found freedom in the towns—begin the fashioning of a new society to which the Native governments would gradually approximate. In short, her programme was delicately balanced between conservatism and change. She desired to conserve what was sound in native custom so that it might become the instrument of change, and achieve for itself through change a new and stronger life, different from the past yet continuous with the past.

APPENDIX B

OILS AND FATS

THE problems of the West African trade in palm-oil and palm-kernels have been discussed in chapter II, sections II and IV, against the background of competition by plantation-producers of the same commodities. But a fuller inquiry would demand the survey of a far wider background. The market for oils and fats—whether of vegetable, land-animal, or marine-animal origin—demands examination as a whole. This is so for two reasons:

(1) The various oils and fats, owing to the progress made in the industrial utilization of them, are becoming increasingly (though not yet universally and completely) interchangeable.

(2) Technical changes and price changes affecting one branch of production exercise powerful effects upon other branches which at first sight seem but distantly related. Thus there is a real economic connexion and tension between dairy-farmers in New Zealand, soya-bean growers in Manchuria, whalers in the Arctic Ocean, and villagers of the West African palm forests.

This unified study of the problem has been thoroughly undertaken by the International Institute of Agriculture. See *Oils and Fats: Production and International Trade* (Rome, 1939: Studies of Principal Agricultural Products in the World Market, No. 4). The reader who desires further information is referred to this work. We shall content ourselves here with setting out a few of the more important factors with regard to vegetable oils.

Vegetable oils are produced both from herbaceous plants and from trees. There are thirteen main varieties of the former: the best known are ground-nuts, the soya bean, cotton seed, linseed. Ground-nuts are an important crop in the drier districts of West Africa: India and China are the largest producers and India is the largest exporter. Nigeria, as an exporter, ranks third after India and French West Africa. There are five trees which produce vegetable oil: of these the olive, the coco-nut-palm, and *Elaeis guineensis* are the most important.

The oil production from the herbaceous plants is considerably greater than the production from the trees. In world trade, however, the latter counts for more than the former. In recent years it has contributed a share of world exports varying between 70 and 80 per cent.

If we consider together all the varieties of vegetable oil, whether produced from herbaceous plants or trees, Asia is by far the largest producer. North and Central America come second. Africa and Oceania rank low in the list of producing countries. However, they rank high in the list of exporting countries. Asia takes the first place, Africa comes

second with an export about half as large. South America, Oceania, and the U.S.S.R. occupy the next three places.

Since the demand for oils and fats rises with industrialization, North America and Europe are the two leading continents of importation. The United States is a large producer of vegetable oil (notably cotton-seed oil) and of animal fats (notably lard and butter). Nevertheless, the United States is on balance heavily an importer of all oils and fats, with a growing bias towards those of vegetable origin. In Europe, Germany is the chief consumer: her importation in peace-time is about 2,000,000 metric tons of oils and oil seeds. Her chief home-produced vegetable oils are rapeseed and linseed: the home-produced animal fats are lard and butter. National Socialist planning has increased home production: some of this increase, however, has been dependent on imports—e.g. additional butter production on the import of cattle cake, largely a by-product of palm-kernels, ground-nuts, &c. The German margarine industry has also depended heavily upon the importation of whale oil.

On the manufacturing utilization of oils and fats sufficient detail has been given in the text: specialist readers may be referred to the Institute of Agriculture's publication. One or two general points, may, however, be worth making:

(1) Technical progress and the growing interchangeability of the various products is accompanied by a selective process: the better qualities are used for food (cf. the improvement in margarine) while the inferior perform humbler functions—e.g. lubrication.

(2) There has been some progress in the use of substitutes. In 1937 the Germans established a factory for producing fatty acids from coal. The product is used for making soap.

(3) Prices are influenced by by-product considerations: e.g. cotton-seed oil is a vegetable by-product, tallow and lard are animal by-products. On the other hand, plants whose chief value is in the oil they produce also yield by-products: e.g. feeding cake from ground-nuts and palm-kernels is increasingly important.

Thus the Danes, who specialize in the production of butter for export, hold the world's record as consumers of margarine (20 kg. per head per annum). Nevertheless, the feeding stuff which is produced as a by-product from the vegetable products used in the manufacture of margarine is even more important to Denmark than the margarine itself.

(4) What are the long-term prospects of the oils and fats market? There are some favourable factors. Demand is still increasing. The increase of demand is predominantly an increase in the consumption of edible fats. Whether or not this is dietetically desirable, it takes place wherever an industrialized and urbanized population possesses the means of payment. Competition among producers, by lowering price, should have the effect of widening effective demand. There are also, however, some unfavourable factors. Chief among these is the general population tendency in the chief consuming countries. At the same time there is the great

increase of production emphasized in the text: these two factors together threaten an alteration in the relation of supply and demand which may persistently depress price. However, one of the most persistently depressing factors of recent years could be eliminated by the co-operation of enlightened nations. I refer to the impoverishing policies pursued by governments during the past decade.

(5) If the above consideration is of some comfort to producers who, like the West Africans, are losing ground to more efficient competitors, there is discomfort in the growing selectiveness in utilization, and the consequent tendency of the market to discriminate severely in price against the lower-quality products.

(6) Trade-policy considerations—e.g. the policy of an Imperial Power to its dependencies—influence the market opportunities of various producing regions. In 1936 France took 95 per cent. of the palm-oil produced in her African dependencies and Belgium took 81 per cent. of the production of the Belgian Congo. Nigeria, on the other hand, sold 44 per cent. of her palm-oil to Germany and only 36 per cent. to the United Kingdom: the rest was sold in scattered markets. Germany had also regained the position she had lost in the war of 1914–18 as the chief purchaser of Nigerian palm-kernels. Similarly, the ground-nut producers of British West Africa found their best markets outside the Empire, especially in France and Italy. In recent years the British market has been the only one in which the price relationship between the different oils and fats has been predominantly determined by the economic factors of cost and consumers' choice. Everywhere else the protectionist policies pursued by governments have played the predominant part.

APPENDIX C
SOME SELECT FIGURES IN THE PRODUCE TRADES
OF BRITISH WEST AFRICA

Raw Cocoa Statistics

PRODUCTION (in metric tons). (From the *Gordian*)

	<i>World</i>	<i>British West Africa</i> <i>(Gold Coast and Nigeria)</i>
1894 . . .	69,914	27
1895 . . .	76,933	34
1896 . . .	74,397	52
1897 . . .	82,641	117
1898 . . .	86,800	223
1899 . . .	101,301	397
1900 . . .	102,611	750
1901 . . .	107,446	1,206
1902 . . .	126,892	3,022
1903 . . .	128,398	2,867
1904 . . .	151,374	6,312
1905 . . .	145,891	6,098
1906 . . .	149,548	10,474
1907 . . .	150,056	11,399
1908 . . .	192,497	14,334
1909 . . .	203,973	22,900
1910 . . .	220,161	25,967
1911 . . .	239,764	44,827
1912 . . .	231,061	42,723
1913 . . .	253,349	54,988
1914 . . .	276,968	58,753
1915 . . .	296,363	87,774
1916 . . .	296,759	82,304
1917 . . .	348,663	108,108
1918 . . .	274,200	77,787
1919 . . .	470,033	205,094
1920 . . .	374,993	144,025
1921 . . .	393,503	152,382
1922 . . .	410,249	190,345
1923 . . .	456,385	230,581
1924 . . .	508,405	260,072
1925 . . .	495,486	258,407
1926 . . .	477,274	266,110
1927 . . .	488,617	245,019
1928 . . .	514,296	269,661
1929 . . .	537,459	289,332
1930 . . .	486,335	239,973
1931 . . .	543,577	291,938
1932 . . .	569,423	300,626
1933 . . .	572,120	292,421
1934 . . .	593,209	308,224
1935 . . .	678,141	354,779
1936 . . .	711,574	388,823
1937 . . .	640,943	341,035
1938 . . .	706,976	359,099
1939 (est.) . . .	725,500	396,000

Raw Cocoa Statistics

CONSUMPTION (in metric tons)

	<i>World</i>	<i>America (U.S.A.)</i>	<i>Germany</i>	<i>G.B.</i>	<i>France</i>	<i>Holland</i>
1894	65,279	7,936	8,320	9,951	14,871	9,656
1895	73,343	13,188	9,936	10,956	15,243	8,592
1896	77,729	10,474	12,210	11,035	15,820	11,367
1897	84,585	9,633	15,473	12,534	16,244	15,073
1898	89,436	11,573	15,860	14,435	17,445	13,900
1899	100,930	15,981	18,272	14,775	17,656	14,309
1900	102,454	18,768	19,242	16,889	17,463	11,815
1901	110,649	20,666	18,410	18,908	17,916	14,373
1902	123,935	23,121	20,602	20,386	19,343	14,666
1903	129,108	28,508	21,491	17,486	20,639	16,742
1904	139,795	32,164	27,101	20,543	21,794	12,184
1905	143,571	35,323	29,633	20,191	21,748	10,737
1906	158,003	37,949	35,261	20,132	23,404	11,224
1907	157,941	37,527	34,515	20,159	23,180	12,219
1908	166,274	42,615	34,352	21,052	20,445	15,821
1909	196,058	53,379	40,725	24,264	23,254	19,387
1910	203,407	50,315	43,941	24,082	25,068	19,187
1911	231,696	58,965	50,855	25,396	27,340	23,536
1912	250,607	66,553	55,085	28,044	26,891	24,921
1913	252,407	67,595	51,053	27,585	27,774	30,016
1914	266,242	74,379	54,489	29,038	26,085	32,095
1915	313,897	85,145	43,094	47,267	35,269	40,955
1916	271,022	105,361	10,123	38,798	39,576	20,019
1917	325,094	171,054	352	50,779	46,747	7,861
1918	319,939	156,845	..	62,233	41,496	2,385
1919	395,805	158,183	10,295	65,647	51,613	36,922
1920	376,056	142,777	45,008	51,483	45,288	25,385
1921	406,140	124,416	102,955	47,164	33,215	28,785
1922	425,765	150,702	84,006	51,341	38,568	36,137
1923	438,394	181,862	50,716	50,601	38,345	39,083
1924	482,824	165,450	87,944	52,677	43,323	41,065
1925	479,970	165,617	80,998	57,218	43,506	44,114
1926	478,299	187,882	61,484	57,321	41,650	44,143
1927	469,597	187,594	69,877	56,741	27,925	39,750
1928	473,917	163,161	75,361	56,457	34,007	47,507
1929	548,919	224,054	76,689	58,417	35,762	49,800
1930	485,784	165,146	75,583	57,905	37,263	51,000
1931	538,613	186,112	85,347	61,255	40,753	52,000
1932	543,748	213,734	77,347	67,914	43,871	42,500
1933	550,915	210,918	77,006	67,954	41,982	47,700
1934	579,576	195,544	101,392	73,491	40,076	55,100
1935	666,721	271,284	74,754	83,748	43,403	62,000
1936	697,918	275,544	76,259	103,721	47,418	66,956
1937	649,964	270,503	72,393	95,675	41,313	53,227
1938	630,865	200,109	79,086	96,174	42,426	74,781
1939 (est.)	711,000	277,000	65,000	110,000	50,000	75,000

APPENDIX C

AVERAGE PRICE per cwt. ex quay Liverpool—No. 1 Accra cocoa

	s.	d.		s.	d.		s.	d.
1910 . . .	50	6	1920 . . .	81	0	1930 . . .	37	11
1911 . . .	52	0	1921 . . .	44	5	1931 . . .	28	5
1912 . . .	55	0	1922 . . .	46	2	1932 . . .	28	1
1913 . . .	63	0	1923 . . .	36	4	1933 . . .	23	2
1914 . . .	55	0	1924 . . .	39	3	1934 . . .	22	8
1915 . . .	75	0	1925 . . .	44	7	1935 . . .	23	3½
1916 . . .	65	0	1926 . . .	52	7	1936 . . .	31	2
1917 . . .	60	0	1927 . . .	72	0	1937 . . .	39	2
1918 . . .	65	0	1928 . . .	60	3	1938 . . .	25	0
1919 . . .	79	8	1929 . . .	47	3	1939 . . .	23	2½

* * * * *

Average Monthly Market Prices

(Approximate to the nearest £1.)

PALM-OIL¹ (per ton)

	January	April	July	October
	£	£	£	£
1919 . . .	48	48	88	81
1920 . . .	95	80	53	57
1921 . . .	39	28	35	34
1922 . . .	34	34	33	32
1923 . . .	34	37	33	36
1924 . . .	39	36	38	42
1925 . . .	44	38	40	40
1926 . . .	38	37	37	36
1927 . . .	35	33	30	34
1928 . . .	34	34	33	38
1929 . . .	36	33	34	31
1930 . . .	31	27	23	21
1931 . . .	19	16	17	18
1932 . . .	18	15	15	16
1933 . . .	14	12	16	13
1934 . . .	12	12	11	14
1935 . . .	17	18	16	20
1936 . . .	20	17	18	20
1937 . . .	29	24	22	19
1938 . . .	16	14	14	13
1939 . . .	13	12	12	17
1940 . . .	17	17	16	16

¹ The prices given are for all Nigerian palm-oil in casks, ex quay Liverpool, basis 18 per cent. f.f.a. The price advantage due to consignments of lower f.f.a. content is given as a premium calculated from this basic price.

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Average Monthly Market Prices

(Approximate to the nearest £1.)

PALM-KERNELS (per ton)

	<i>January</i>	<i>April</i>	<i>July</i>	<i>October</i>
	£	£	£	£
1919 . . .	26	26	45	38
1920 . . .	45	40	31	37
1921 . . .	23	18	22	19
1922 . . .	18	18	17	16
1923 . . .	17	21	17	18
1924 . . .	21	19	21	23
1925 . . .	22	21	21	20
1926 . . .	21	20	20	19
1927 . . .	19	19	19	17
1928 . . .	21	21	21	20
1929 . . .	20	18	18	17
1930 . . .	16	15	12	11
1931 . . .	11	10	10	11
1932 . . .	12	11	10	11
1933 . . .	10	8	9	8
1934 . . .	8	7	6	7
1935 . . .	9	9	8	11
1936 . . .	12	10	11	12
1937 . . .	18	15	13	12
1938 . . .	11	10	9	8
1939 . . .	9	9	8	10
1940 . . .	11	11	10	10

APPENDIX C

Average Monthly Market Prices

(Prices approximate to the nearest £1.)

GROUND-NUTS (per ton). (Decorticated: c.i.f. United Kingdom and/or Continent)

	<i>March</i>	<i>June</i>	<i>Sept.</i>	<i>Dec.</i>
	£	£	£	£
1920 . . .	..	32	38	20
1921 . . .	16	20	27	21
1922 . . .	22	22	19	20
1923 . . .	23	22	23	24
1924 . . .	22	22	28	24
1925 . . .	24	25	25	21
1926 . . .	21	23	21	20
1927 . . .	22	22	23	22
1928 . . .	21	21	21	20
1929 . . .	18	17	21	18
1930 . . .	15	15	13	11
1931 . . .	12	11	12	13
1932 . . .	18	14	14	14
1933 . . .	10	12	10	9
1934 . . .	8	8	10	11
1935 . . .	14	15	14	14
1936 . . .	14	14	15	16
1937 . . .	14	15	13	13
1938 . . .	11	10	10	10
1939 . . .	10	12	13	14
1940 . . .	15	15	14	16

Note: The above figures with regard to the chief produce trades of British West Africa were kindly compiled for the author by Cadbury Bros. Ltd. and The United Africa Company.

APPENDIX D

SELECTIONS FROM 'STATEMENT OF POLICY ON COLONIAL DEVELOPMENT AND WELFARE'

*Presented by the Secretary of State for the Colonies to Parliament by
Command of His Majesty, February, 1940*

His Majesty's Government are trustees for the well-being of the peoples of the Colonial Empire, and the spontaneous and wholehearted support by the inhabitants of every territory to the common war effort is the best testimony to their appreciation of the way in which this trust is being discharged. The primary aim of Colonial policy is to protect and advance the interests of the inhabitants of the Colonies (in which term are included for the purpose of this statement Protectorates and Mandated Territories). Much has already been accomplished, but there is room for further active development of the natural resources of the various territories so as to provide their people with improved standards of life. Some of the Colonies can make, and have made, great progress in strengthening their economic positions without recourse to outside help; and they are improving, as time goes on, the social services that minister to the well-being of the people as a whole. In some territories larger revenues could be raised without injustice by adjustment of taxation; and considerably heavier local taxation has in fact been accepted in most of the Colonies since the outbreak of war. An improvement of the Government machinery and a reinforcement of the personnel of the development services would in many Colonies result in more successful economic expansion.

Nevertheless, if full and balanced development is to be obtained, and if Colonial Governments are to be placed in a position to maintain administrative, technical and social services at proper standards, some assistance from outside is necessary at this stage. Few of the Colonies have the good fortune to possess substantial mineral wealth, and in comparatively few are there manufacturing industries of any magnitude. The majority are wholly, or almost wholly, dependent on the more limited resources derived from agriculture. The value of agricultural products varies widely from year to year as conditions fluctuate in the world market, with the result that Colonial revenues provide an unreliable basis for a policy of steady development. In some cases the position is aggravated by a heavy burden of indebtedness. However able their Government, however efficient their economic administration, many Colonies cannot finance out of their own resources the research and survey work, the schemes of major capital enterprise, and the expansion of administrative or technical staffs which are necessary for their full and vigorous development. Nor can they always afford, in the absence of such development, an adequate standard of health and education services.

Much has been done towards remedying the situation. It is not merely

that when Colonial Governments have faced deficits in the past they have received assistance from the United Kingdom Exchequer, which has amounted during the past ten years to £12,000,000.¹ More important, a Colonial Development Fund was established by an Act of 1929, for financing by grant or loan various schemes for economic development in the Colonies. Each year considerable payments have been made from the Fund, totalling some £5,000,000² altogether over the past decade, while commitments for the future amount to an additional £1,600,000.³

The Government now propose to invite Parliament to approve an extension of this policy, and to remove certain limiting and hampering conditions that are attached to expenditure from the existing Fund. The object in view when the Fund was constituted was 'to promote commerce with, or industry in, the United Kingdom,' an end which it was hoped to achieve by assisting the development of agriculture and industry in the Colonies. Certain specific objects on which expenditure could be incurred were enumerated. Other objects of no less importance were not included; for example, education (apart from technical education) was outside the scope of the Act. The emphasis was throughout on material development. The intention of the Act was primarily to provide assistance towards capital schemes, though assistance towards recurrent expenditure was not in terms excluded. This intention has been followed, and grants towards recurrent expenditure have not normally been authorized; when occasionally they have been given, they have been made for short periods only. The existence of the Fund has not involved any departure from the old principle that a Colony should have only those services which it can afford to maintain out of its own resources. This principle now calls for revision, and the Government propose that in appropriate cases money from the new sources which they have it in mind to provide should be made available for the maintenance of important works or services over a substantial period of years.

They propose to introduce legislation to replace the Colonial Development Fund, which is limited to a maximum of £1,000,000 a year, by new arrangements providing in a new Vote in the Estimates for assistance to Colonial Governments³ up to a maximum of £5,000,000 a year for ten years. This assistance will be available not only for schemes involving capital expenditure necessary for Colonial development in the widest sense but also for helping to meet recurrent expenditure in the Colonies on certain services such as agriculture, education, health, and housing. In planning expenditure from this new source the Government will enlist the help of a Colonial Development and Welfare Advisory Committee, which will be composed partly of official and partly of unofficial members.

¹ This figure does not include expenditure on security in Palestine and Trans-Jordan.

² These figures do not include payments and commitments in respect of Newfoundland.

³ The arrangements now contemplated will apply also to the three High Commission Territories in South Africa which fall within the sphere of the Dominions Office.

The subject of research calls for separate treatment. Hitherto expenditure on various forms of Colonial research has received assistance from the Colonial Development Fund, but the Government feel it desirable that special arrangements should be made in future for giving assistance of this nature. They have had access in the past, in dealing with questions of Colonial research, to the advice of scientific and technical experts in this country; but they are anxious to place the system on a wider and more regular basis, and they consider that this object can best be achieved by the establishment of a Colonial Research Advisory Committee and by the allocation of a separate sum for Colonial research up to a maximum of £500,000 a year. In reaching this decision they had in mind the proposal for special provision for research made by Lord Hailey in his 'African Survey', and they take this opportunity of acknowledging their debt to him for the suggestion.

The intention is that the sums of £5,000,000 and £500,000 a year respectively should be specified in the proposed legislation as maximum figures. It is not expected that, in either case, this scale of expenditure will be attained at once; indeed it is improbable that conditions will permit of its being reached at any time during the war. In any event it must take time to frame careful plans of development and research on the scale that will now be possible, and to translate such plans into full practical operation. These maximum figures have been reached after estimating what expenditure seems desirable and practicable for a reasonable period of years ahead. They will be subject to review from time to time, and should experience show that they are insufficient it will always be open to Parliament to increase them. So far as concerns the provision for development and welfare, the position will have to be reviewed before the expiry of the initial ten-year period.

It will be noted that these measures of assistance by the taxpayers of the United Kingdom will be extended without distinction not only to all British Colonies and Protectorates, but also to all the territories administered by the Government under the Mandatory system.

The first emphasis in this much enlarged policy of Colonial development will be on the improvement of the economic position of the Colonies. That is the primary requirement, upon which advance in other directions is largely consequential. It is by economic development that Colonies will be placed in a position to devote their resources, to the maximum extent possible, to the provision of those Government and other services which the interests of their people demand. Assistance from United Kingdom funds should be effectively related to what the Colonies can do for themselves. For this purpose it is essential that there should be co-ordination of effort on the part both of the Government at home and of the Colonial Governments. Proper machinery and adequate personnel both for planning and for carrying out plans should be established in the United Kingdom as well as in each of the Colonies, and there should be a regular liaison between the authorities at home and overseas. . . .

From London there will be assistance and guidance, but no spirit of dictation. The new policy of development will involve no derogation from the rights and privileges of local legislatures, upon whom rests a large measure of responsibility for the improvement of conditions in their several territories and upon whose co-operation the Government count with confidence. The fact that a Colony receives assistance under the policy will not entail upon it the system of financial control which is now associated with the receipt of grants-in-aid. The whole effort will be one of collaboration between the authorities in the Colonies and those at home; there must be ready recognition that conditions vary greatly from Colony to Colony, and that Colonial Governments, who best know the needs of their territories, should enjoy a wide latitude in the initiation and execution of policies, the primary purpose of which is to promote the prosperity and happiness of the peoples of the Colonial Empire.

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