CHAPTER 1

The Lion's Share: Britain and Southern Africa, 1870–1910

> Our excitement was so intense, as we saw the way to Solomon's treasure-chamber at last thrown open, that I for one began to tremble and shake. Were there vast hoards of wealth stored in that dark place, hoards which would make us the richest men in the whole world?
>
> —H. RIDER HAGGARD,
> *King Solomon's Mines*

KING SOLOMON'S MINES came off the press in London in September 1885, only six months after the European powers had met in Berlin to set the rules for dividing up Africa. An instant success, it sold 31,000 in Britain and went through thirteen U.S. editions in the first year alone. It became a classic of adventure, with more than 650,000 in total sales before the author's death in 1925. Filmed five times, most recently in a grossly racist version in 1985, it was also standard reading in schools in Britain and in English-speaking Africa.

Rider Haggard had served as a British colonial official in South Africa in the 1870s, and placed his story in as yet unconquered territory to the north of the Transvaal (see map, page 6). Building on speculation linking the abandoned stone city of Zimbabwe and King Solomon's gold mines in the biblical land of Ophir, he concocted a tale of three English gentlemen (with their five African servants) following a yellowed Portuguese map, fighting through danger and winning at last a treasure in diamonds. For millions of readers and moviegoers, before the advent of Tarzan, Africa *was* King Solomon's Mines.

Haggard's fantastic details fitted neither the legend of King Solomon, which referred to gold, not diamonds, nor the historical facts of African gold mining in Zimbabwe.* But from 1869 diamonds were being mined

* Although nineteenth-century explorer Karl Peters and others identified Ophir—source of over thirteen tons of gold for King Solomon—with Zimbabwe, recent archaeological work

further south, in Kimberley, South Africa, the first installment in a treasure trove that was to exceed by far those recounted in the Bible or in Haggard's tale. Those riches provided the basis for many fortunes in southern Africa, Europe, and America. They were also to mold southern Africa's racially divided societies and to shape Western interests there. Today, as South Africa's rulers argue the strategic significance to the West of their country's mineral riches, the legacy of the white man's search for wealth in that region—in disregard for African interests—lives on. The essential pattern of that legacy was largely set in the formative period of discovery and conquest, which culminated in 1910 with the establishment of the Union of South Africa.

The Imperial Factor

The first European settlement in southern Africa, apart from Portuguese garrisons and trading posts in Angola and Mozambique, was the Dutch station set up at Cape Town in 1652, a stopover point on the route to India. For both the Portuguese and the Dutch, Africa was secondary to commercial interests farther east. Early Dutch settlers (later known as Afrikaners or Boers) gradually moved inland from the Cape, grazing their livestock on land taken from the Khoisan peoples (known disparagingly as Hottentots and Bushmen). But without the support of the authorities in Holland, their penetration into the interior was limited to the area near Cape Town.

Beyond this southwestern area, the territory of southern Africa was also occupied by peoples speaking Bantu languages. The Khoisan included hunter-gatherers and Khoikhoi herdspeople; the groups who spoke Bantu languages had practiced mixed agriculture and cattle-raising for centuries. Prior to the nineteenth century, this complex and changing mixture of groups, later categorized by such labels as Zulu, Xhosa, Tswana, and Shona, remained almost entirely independent from European rule.

In the Dutch-controlled western Cape, the settlers used a workforce of slaves imported from Asia and east Africa, supplemented by Khoikhoi dispossessed of their land. Racial barriers were not as rigid as later, in the nineteenth and twentieth centuries, and the distinctive community to be called "Cape Coloured" arose from the mixing of Europeans with slaves and Khoikhoi. On the unsettled interior frontiers, adventurers of all races traded, fought, grazed cattle, and produced children, some assimilated into the white or African communities, others later to be classed "Coloured."

places his mines in Saudi Arabia. The mines in Zimbabwe were worked by Africans, and gold exported through Indian Ocean ports from at least the eleventh century.

After Great Britain wrested control of the Cape from the Dutch East India Company in the early nineteenth century, its officials also saw the colony's significance primarily in strategic terms. Control of Africa's southern extremity was vital for the sake of India, the crown jewel of the British Empire and at midcentury the premier market for Britain's leading industry, textiles.

Beyond the areas of direct British rule, European influence was only one factor affecting the region's development. In a series of frontier wars in the eastern Cape, English and Afrikaner settlers prevailed over the Xhosa with the aid of British troops. Farther east and north, most groups were not subject to European domination, while the turmoil of Zulu expansion and migration overshadowed the European presence. The fragile Boer republics established in the Transvaal and the Orange Free State held no decisive advantage over their African neighbors.

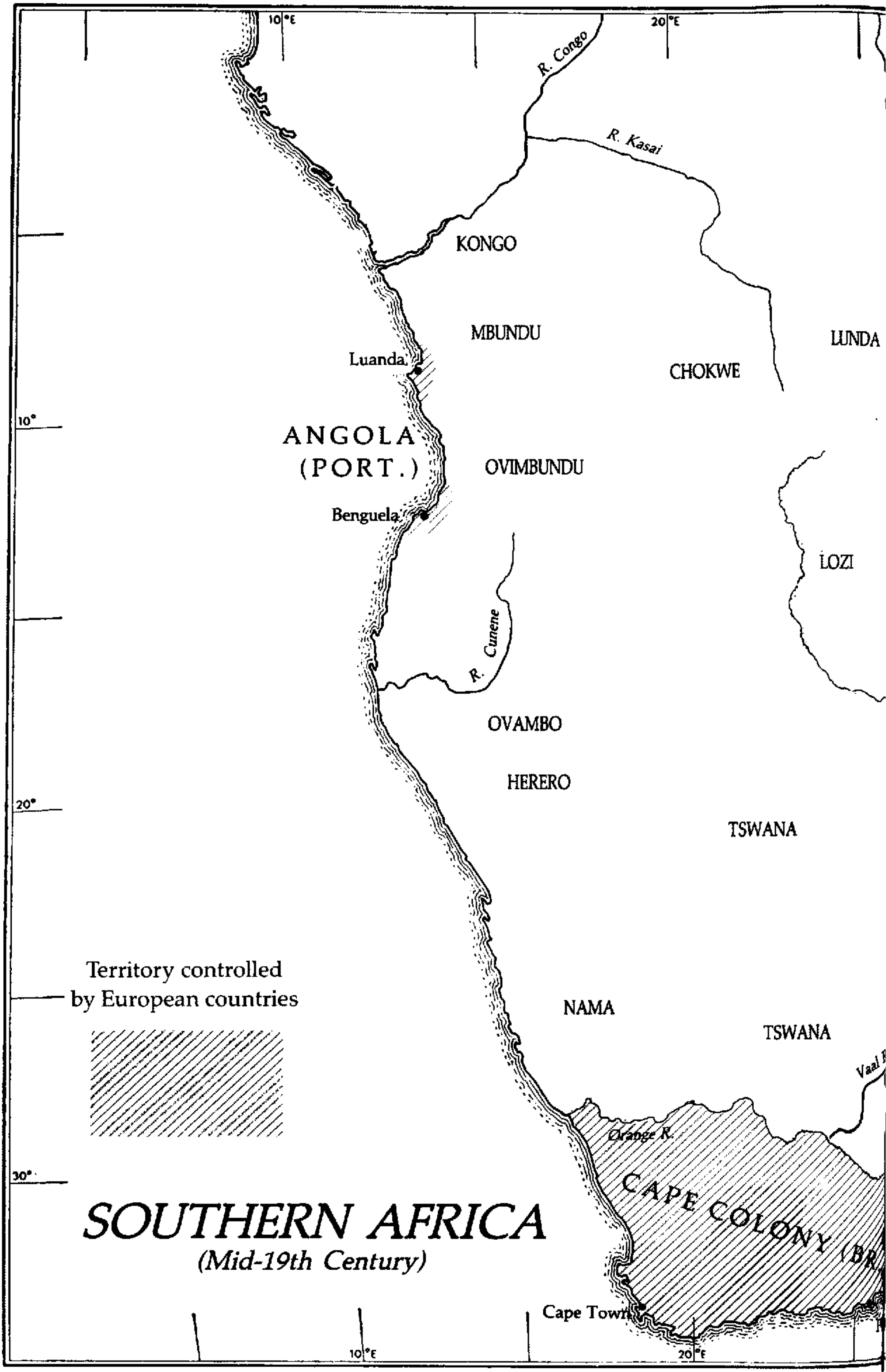
Wool from the Cape and sugar produced by Indian labor in Natal laid the basis for an export economy that, imperial planners thought, would at least enable these strategic outposts to pay their way. But South Africa's own economy excited no great interest in London. The Suez Canal opened in 1869, providing an alternative route to India, which even diminished the Cape's strategic importance.

Then came diamonds, in the 1870s, and gold, in the next decade. This produced a decisive shift in the importance of the region, and in the balance of power between those of European origin and Africans.

Those who acquired the dominant stake in the new wealth were neither the Africans nor the long-term settlers who considered themselves both Europeans (by race and heritage) and Afrikaners (born in Africa). Instead, the most successful entrepreneurs were newcomers from Britain or Germany. The technicians and even the majority of the skilled workers came from Britain, America, or Australia. In London, and to a lesser extent in other European capitals, interest in the region grew not only among those who bought and sold mining shares, but also among industrialists and politicians. Southern Africa took a prominent spot in their vision of Britain's place in the world.

Imperialists of the late nineteenth century had several reasons for including southern Africa in their schemes. There was still India, of course; that country remained vital for the British economy into the twentieth century, earning foreign exchange that compensated for British balance-of-payments deficits with industrialized countries. But southern Africa was now important in its own right as well. Diamonds and gold were of interest to investors in the mines. Gold's role as the basis of the international monetary system made it a special concern of London's financiers.

Southern Africa loomed even larger as an asset as Britain faced a world



SOUTHERN AFRICA
(Mid-19th Century)

30°E
40°E
50°E
10°
20°
30°
SWAHILI
BEMBA
CHEWA
YAO
R. Ruvuma
MAKUA
Mozambique
R. Zambezi
SHONA
MOZAMBIQUE
(PORT.)
ELE
R. Limpopo
GAZA
PEDI
DERS
SWAZI
ZULU
RS
NATAL (BR.)
Durban
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MILES
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economy that was entering a new phase. In 1873 the economies of Europe were hit by what came to be called the "Great Depression" (1873–1896), heightening competition between the major powers. Britain's industrial economy, practically unique at midcentury, was beginning to lose ground to the more vigorous, rapidly centralizing industries of Germany and the United States. These competitors were building up large-scale production, making use of monopolies and protectionist policies. Maintaining British predominance by "informal empire" became more difficult, more risky. Germany and France sought to stake out their own colonial domains, protected by tariff barriers. United States industrial competition threatened British markets in Latin America, the British Empire, and even in England itself.

In response, Britain's "new imperialists" argued for a greater willingness to accept formal colonial responsibilities, and for new efforts to build up the Empire. The alternative, they feared, was to be cut out from opportunities for trade and investment.

The new importance of formal empire was particularly noticeable in the markets for key British exports. From 1870 to 1913 the Empire's share of British textile exports rose from 27 percent to 44 percent. The Empire took 19 percent of British machinery exports in 1870, 33 percent in 1913; 16 percent of the locomotives exported went to Empire markets in 1870, 59 percent in 1913. Southern Africa, in this respect as in others, came to be regarded as one of the essential components of Empire, a market for manufactures as well as a source of direct mineral profits. Already in 1890 South Africa ranked eighth among British export markets, trailing four European countries, the United States, India, and Australia. For more than eighty years afterward, until 1976, it ranked consistently among Britain's top ten markets, even rising to first place during the Second World War. In economic importance, South Africa virtually dwarfed the rest of British Africa.

Each of these factors—route to India, diamonds, gold, a market for exports—helped establish the assumption that Britain had to maintain predominance in southern Africa. Perhaps direct control of the Cape alone, without taking charge of the interior, would have been sufficient. Certainly it would have been cheaper, and British governments did retain the belief that the less spent on colonies the better. But already in 1884, before the prospect of significant gold production, the War Office was convinced that the Cape's security required predominance (if not necessarily direct rule) throughout the region. With gold, the value of southern Africa's hinterland took a giant leap upwards, and this increased the potential for trouble if that wealth were held by anti-British forces.

It was obvious to British officials that Griqualand West, site of the diamond discoveries, could not be left to the Griqua people, a mixed-race group who had established themselves in the area earlier in the century, or to the Tswana people, who had lived there for centuries. Nor did they wish to leave it to the Boers in the Transvaal. Britain annexed the diamond area in 1871, merging it with the Cape Colony ten years later.

In the 1870s both Africans and Boers were seen as potential threats to British "security." Conflicts, instability, and vaguely defined sovereignty became less and less acceptable as the economic stake increased. The gold mines were in the sovereign Transvaal Republic, ruled by men the British thought of as backwards Boer frontiersmen. And most workers came from areas outside European control. The developing mining economy was feeling the shortage of labor, which officials linked directly to political problems. In a typical comment, Shepstone, British representative in Natal, said there would be enough labor to develop the agricultural and mineral riches of South Africa "as soon as confidence in the stability and justice of government is established."[1]

The way to deal with the Africans, it was assumed, was conquest. British troops had largely "pacified" the Xhosa in the eastern Cape in repeated wars continuing into the 1870s. In 1879 the Zulu still had the capacity to inflict a crushing defeat on the British at Isandhlwana, but were soon defeated when British reinforcements arrived. To the north, African independence fell before the end of the century to British or Boer weapons. Bechuanaland, Basutoland, and Swaziland retained limited autonomy by diplomatic agreements with Queen Victoria. One way or another, the superior military power of Britain ensured African submission to European rule.

For the whites of southern Africa, British officials saw another role. Their uncontrolled independence was a nuisance. If they would only develop adequate, coordinated government and pledge loyalty to Britain, they could, as in Canada or Australia, produce their own ruling class and relieve the mother country of the expense of colonial rule. Federation schemes outlined in the 1870s failed. An 1877 annexation of the Transvaal backfired when in 1881 the Boers, no longer needing British help against the defeated Zulus, sought and won a renewed independence through rebellion against imperial rule. Both in Britain and on the scene, however, many still assumed that a unified British South Africa was indispensable.

In 1884 a new threat emerged to British supremacy when Germany established a colony in South West Africa. Britain responded with annexation of Bechuanaland, blocking a possible linkup between the Germans and the Afrikaners. In the following decade, as gold gave new resources to the Transvaal Republic, British imperialists grew more worried about a possible German-Transvaal axis. Adding to their fears was the German-financed railway from Johannesburg to Lourenço Marques, which gave an outlet to the sea bypassing British territory.

The events leading up to the Second Anglo-Boer War (1899–1902) have been rehashed extensively by historians seeking to allocate blame or to investigate causes: the grievances of the *uitlanders* (foreigners) who flocked to Johannesburg but were refused the vote; the need of the mining magnates for a more efficient and sympathetic government; the intransigence of Transvaal President Kruger, bent on independence, or of the British imperialists—Rhodes, Chamberlain, Milner—equally bent on British predominance.

Of critical importance was the convergence of interest uniting mineowners, industrialists, financiers, and British politicians. This coalition sought British hegemony and made Boer submission, by war if necessary, their common aim. The national interest, Britain's ruling class convinced itself, required an Empire that included South Africa and its riches.

Most prominent among the Randlords (mining magnates) was Cecil Rhodes. He was, in the 1890s, not only the leading figure in the diamond monopoly (De Beers) but also among the leaders in gold investments (through Consolidated Gold Fields of South Africa), initiator of the drive to the north through the quasi-governmental British South Africa Company, *and* prime minister of Cape Colony. Successive biographers of this prototypical imperialist have sought to rescue his image from suspicion of sordid financial motives, arguing that he sought money only in order to extend the British Empire—a noble, patriotic aim. But recent scholarship has often found a close congruence between his financial interests and his political actions.

Rhodes himself had few if any qualms about conflicts of interest. On the contrary, he concluded that "one position could be worked with the other, and each to the benefit of all."[2] What was good for his companies, he was convinced, was good for Britain and South Africa as well.

In December 1895, after his American mining expert, John Hays Hammond, had confirmed the richness of the deep-level mines, Rhodes joined with other Randlords in promoting a raid on Johannesburg, headed by his lieutenant, Jameson. The expected coordinated revolt in the city failed to come off, and Rhodes was politically disgraced. Still, he and his colleagues remained adamant in their determination to install in southern Africa's heartland a government sympathetic to their view of progress.

The mineowners harbored specific grievances against the Transvaal government. They were upset at corruption and inefficiency in the Transvaal under Kruger; they were annoyed at the high cost of dynamite supplied by a government-backed monopoly; and they were especially concerned about obtaining a cheap, reliable supply of labor for the mines.

That goal ultimately required control of the wider regional labor market, beyond the Transvaal. For some mining groups, such as Gold Fields and the Corner House, an additional factor may have been their stake in deep-level mines in particular, which had huge capital requirements and a lead time of several years before the actual production of gold. Cost-cutting reforms were urgent, industry leaders argued, and even those more partial to political reconciliation were skeptical that Kruger could deliver.

Radical antiwar critic J. A. Hobson, whose influential study, *Imperialism,* derived in part from his observations in South Africa as correspondent for the *Manchester Guardian,* stressed the role of the Randlords in provoking the war. He argued that these men, mostly international financiers of German-Jewish origin, helped provoke the war by manipulating the press and exaggerating minor *uitlander* grievances. "The one all-important object of the war," Hobson charged, "is to secure a full, cheap, regular, submissive supply of Kaffir [African] and white labor."[3]

Historians critical of Hobson's emphasis have pointed out that some mineowners (including some of Rhodes's own partners) were more conciliatory toward Kruger than the belligerent Rhodes and British politicians who took an active role in precipitating the war. One may admit that "British race patriotism" stirred more strongly in the hearts of some, while a bankerlike caution restrained others' political involvements. The fact remains that the major mineowners, regardless of national origin, stood with Britain, which was, after all, the world's financial center. Only a few isolated mineowners opposed the British connection. Even many German investors in the mines were inclined to favor British control for the sake of stable, efficient government.

The question was how to get that kind of government. Theoretically a Transvaal-German connection might have led to a United States of South Africa separate from Britain: this, indeed, was what British leaders feared. The financiers of the mines, who maintained contacts and raised capital in France and Germany as well as Britain, might have opted for that side. But German interest in the area was not strong enough, nor its financial weight sufficient, for a real bid to replace Britain as the hegemonic power. After a secret 1898 Anglo-German agreement sharing out Portuguese colonies (if Portuguese rule should break down), it was understood that Germany would not actively interfere. The fate of the Transvaal was sealed.

Mining capital, however, was clearly not alone in pressing for an expansionist British policy. Politicians such as Colonial Secretary Joseph Chamberlain and Alfred Milner, Governor of Cape Colony and High Commissioner for South Africa from 1897, played prominent roles of their own. The Randlords sought and won political influence—through the press, through personal contacts, and perhaps through passing on investment tips to politicians. But as these two central figures illustrate, the interests in the region of Britain's ruling class were more general than Rhodes's single-minded focus on the mines.

Their political vision, however, was also solidly based on the economic realities of Empire. Chamberlain, son of a shoe manufacturer and nephew of a Birmingham screw magnate who took him into the business, was particularly conscious of the export needs of British industry in the face of foreign competition. He explicitly developed his view of imperialism as a policy needed to protect the British economy. South Africa did serve as an outlet for a variety of goods—even for boots and shoes.

Nor was Chamberlain averse to the coincidence of private and public interest. Kynoch's, headed by his brother, was not only a leading supplier of arms and ammunition to the British army during the Anglo-Boer War, but it was also the parent company of one of South Africa's leading producers of dynamite for the mines. Later, the South African subsidiary of Kynoch's was one of three companies merged into African Explosives and Chemicals Industries (AE & CI), South Africa's largest industrial enterprise in the early twentieth century.

The basic strategic reality, as Chamberlain's Under-Secretary reported to him in 1896, was that the Transvaal was the "richest spot on earth." Its commercial attraction was sure to be "so great that a Union of the South African States with it will be absolutely necessary for their prosperous existence. The only question is whether that Union will be inside or outside the British Empire."[4]

Lord Milner was equally convinced of the necessity of British predominance. Milner was a fanatic "British Race Patriot," with a strong distrust for Afrikaner nationalism and a conviction that it must be defeated as an independent force. Once assigned to his post he worked tirelessly to provoke a showdown, in contrast to his superiors or to the Randlords, who shared his aims but were often more cautious in practice.

Yet it would be a mistake to portray Milner as an isolated hothead. In spite of his abrasive personality, which has often formed the centerpiece in narratives of the period, he was an experienced administrator, with special knowledge of economic and financial questions. He had served in Egypt in reorganizing the financial system to ensure adequate returns for British bondholders, and in England as chief tax collector. He maintained close contact with Rhodes, with Julius Wernher of the Corner House mining group, and with other financial leaders. A political protégé of merchant banker George Goschen, Milner was aware of the financial community's concern that Britain have an adequate gold reserve to maintain its financial leadership.

After the Anglo-Boer war, it was Milner and his followers who took the lead in setting up a state apparatus in South Africa that could satisfy both the Randlords and the broader British interest in a South Africa within the Empire.

The emergence of the independent white-ruled Union of South Africa in 1910, after only eight years of direct British rule following the Anglo-Boer War, has often been seen as a reversal of the British victory. After all, Britain relinquished control to a government led by Generals Botha and Smuts, who had fought on the other side. Milner's schemes for attracting large numbers of British settlers had failed, leaving Afrikaners in a majority position in electoral politics. Provisions for imperial "protection" of native rights were reduced to insignificance.

Yet to see these developments as primarily a defeat for Britain would be to confuse preferences (for example, a more "enlightened" native policy) or tactics (for example, an English-speaking majority among the whites) with basic war aims. It would be to lose sight of the fact that British policy never postulated the continuation of direct colonial rule over whites as possible or desirable. The major aim—establishing British hegemony in the region—was achieved and maintained for half a century. Britain kept its position as the region's dominant trading and investing country, and as the market for South Africa's gold. And in two world wars South Africa fought on Britain's side, in spite of at-times-violent opposition from a section of Afrikaners.

Milner left South Africa in 1905, and the Liberal government that replaced the Conservatives in Britain in 1906 was more inclined to a conciliatory policy toward the Boers than its predecessor was. But there was also considerable common ground between the two periods. Milner approved the choice of his successor, Lord Selborne, and most of his administrative team stayed on. Among them was a group of young Oxford-educated officials known as "Milner's Kindergarten," who played a leading role in shaping the proposal for Union. Milner and the Liberals agreed that British electoral majorities in South Africa were desirable, but that it was recognition of British supremacy that was essential.

The question was whether the Boers could be trusted to run a regime that respected this British supremacy. Milner was skeptical. But when his protégé Lionel Curtis reported to him that the Kindergarten was working with Boer leaders Botha and Smuts, who had accepted the necessity of working within the context of British hegemony, Milner conceded the wisdom of their approach.

In practice the Boer-British differences were manageable. The Treaty of Vereeniging, ending the Anglo-Boer War in 1902, already stipulated the restriction of full franchise to whites. In the period leading up to Union, some voices were raised in favor of the Cape Colony franchise, which provided voting rights for a small number of Coloureds and Africans with education and property. But in the end the position of Africans was not a significant point of contention in the constitutional discussions. A compromise was reached allowing each province to retain its own system, while Africans were excluded from the Union parliament, to be represented there by four appointed white senators.

Much more controversial were issues such as the balance of power among the four provinces (the Cape, Natal, Transvaal, and Orange Free State), and the effect of electoral regulations on the relative strength of the two white communities. The system eventually adopted for the white franchise, allowing a variation of up to 30 percent in the number of voters in a division, gave an advantage to rural areas, and thus to Afrikaans-speaking whites.

With the creation of the Union of South Africa, effective political power in the region's most economically advanced country passed to the hands of leaders of the local white communities. Britain would in the future rely above all on the cooperation and loyalty of white South Africans, both English-speakers and pro-British Afrikaners. But the handover of British authority in the region was not complete. There remained direct colonial control over the so-called High Commission territories (Bechuanaland, Swaziland, and Basutoland). These holdings, in part maintained because of pressure from missionary and humanitarian lobbies, also provided an imperial balance against too great an independence for the new white South African state. To the north, the Colonial Office also retained ultimate responsibility for the territories granted to the British South Africa Company.

By 1910, in sum, British officials or capitalists had little reason to fear challenges to their supremacy in the region. In spite of persisting bitterness among Afrikaners, a loyal, unified white state was in place in South Africa, which counted six other British territories among its neighbors. Of course, the Portuguese, Belgians, and Germans were in the area too, but none posed a threat. Mozambique served as transport outlet and labor reservoir for South Africa and Rhodesia. British capital had a stake in the mines being developed in the Belgian Congo's Katanga, and in what little there was of economic value in Angola. Even in German South West Africa, British investment was present, and Walvis Bay, the strategic port on its coast, was attached politically to South Africa. No one could doubt that, in southern Africa, the British lion was king.

Mines and Their Masters

While Britain was consolidating political control over the southern African region, mining capitalists were working out their own structures of control and coordination. Everywhere in the capitalist world, monopoly was becoming the order of the day, rapidly in Germany and the United States, more slowly in England, where many small industrial firms were already well established. In South Africa, the special conditions of diamond and gold mining permitted an exceptionally rapid concentration of ownership. The interlocked network of capital that grew up—centered in London and Johannesburg—soon dominated not only the mineral economy of South Africa, but also the surrounding region.

The rise of this new cluster of mining capital began with diamonds, first the alluvial (water-borne) diamonds found on the banks of the Vaal River (1867) and then those from the deep "pipes" of blue ground at nearby Kimberley (1870). A host of diggers from around the world flocked to the boom town. By 1872 over £1.6 million worth of diamonds was being exported annually. And entrepreneurs such as Cecil Rhodes, Barney Barnato, and Julius Wernher had made their appearance on the scene.

As the mines at Kimberley went deeper, getting the diamonds out came to require more capital and a higher level of organization. Pumping out water, shoring up crumbling pit walls, transporting the ore to the surface, reconciling conflicts over intersecting claims—all needed more than the efforts of isolated fortune-hunters, each with a few African laborers. (Africans were effectively excluded from holding mining claims and becoming owners by a British ordinance in 1872). Joint stock companies emerged, financed largely by the diamond merchants with shops in Kimberley, the Cape, and European capitals. By 1882, some seventy-one registered companies held authorized capital of more than £8 million. Most of this was raised locally rather than on European money markets, through advances to the merchants from British-owned banks in Cape Colony. The banks, in turn, had built up capital from earlier trade.*

* Capital owned by foreign investors resident overseas has consistently been an important factor in the southern African mining industry, but investors permanently resident in South Africa have also held substantial ownership and control. Disentangling the relationship between the two, picking out, for example, the "South African" or "British" component of an intertwined network of companies, is inevitably an ambiguous exercise. Neither the official location of a company headquarters nor the passport held by its chief executives can serve as a sure guide to the locus of control.

Some scholars have suggested giving up distinctions based on the nationality of capital, simply distinguishing "international" capital with its search for profits anywhere from capital more narrowly based on a "national" market. Thus, in South Africa "international" mining capital is contrasted with more nationally oriented agricultural or industrial capital.

One major problem, however, was difficult to solve with local resources. The supply of diamonds was so great and production so irregular that unrestricted mining led inevitably to fluctuating prices. The mineowners feared that if too much was produced, diamonds could even lose their rarity-based value. Their answer was monopoly—a level of centralized control that could regulate output, hold stocks off the market, and plan sales to maintain high prices and profits. This solution took time to implement.

Cecil Rhodes led the amalgamation process, gaining control of De Beers, one of the largest mines, in 1887. Then, in alliance with leading merchant Alfred Beit, he won over competitor Barney Barnato to bring his Kimberley Central Diamond Mining Company into the merger. Leverage for this organizational leap was provided by Rhodes's backing from outside capital, particularly from the English branch of the Rothschild banking family. The patterns established—close coordination among the leaders of mining capital and an intimate connection between the South African mineowners and overseas investors—were later repeated, with variations, as mining expanded beyond Kimberley and into gold and other minerals.

Under Rhodes, De Beers was able to centralize the mining and worldwide marketing of diamonds. From the first decade of the twentieth century, control became more difficult as new fields were discovered in the Transvaal (1902), in the Kasai region of Congo (1906), in South West Africa (1908), in Angola (1912), and in West Africa (1919). South Africa's proportion of the world diamond market declined, and the threat of a breakup of the monopoly grew. But after World War I control of the industry was assumed by Ernest Oppenheimer, who won leadership in De Beers on the basis of his investments in the new fields and the financial weight of his newly formed Anglo American Corporation.

Oppenheimer, like Rhodes, chose South Africa as his base of operations. Through his control of diamonds, South African capital not only staked out a niche of its own in the world economy, but also secured a leading economic role in three other countries of the region: South West Africa, Angola, and the Congo.

It is important, however, not to blur the distinction between Western and South African interests, but rather to use the distinction, however rough, to portray the character of the alliance. In this book, accordingly, the financial empires of such figures as Cecil Rhodes or Ernest Oppenheimer, with economic interests and political involvements concentrated in the region, are considered *South African*. In contrast, companies like the Standard Bank, with top management in London and Africa-wide interests, are considered *British*.

Both the English and the South African-based mineowners were clearly international capitalists, but those making decisions from a base in England had a different balance of economic and political involvements than those establishing permanent residence in South Africa.

Even more than diamonds, it was gold that decisively accelerated the accumulation of wealth in southern Africa. By 1897 gold accounted for 39.2 percent of all exports from Africa south of the Sahara (diamonds were second, with 15.7 percent of total exports, and wool a poor third, with only 7 percent). Gold was not just another valuable mineral, but, with the British pound, the basis of the international monetary system. Expansion of gold production in California and Australia after 1848 had helped to fuel the economic upswing that lasted until 1873, the heyday of British dominance of the world economy. In the next upswing in the 1890s, South African gold accounted for about one-fifth of world gold production. By World War I the percentage was up to some 40 percent. Britain, in spite of foreign competition, remained the world's financial center with the help of South African gold.

The gold came from the Witwatersrand reef in the Transvaal, where the rush to the fields began in 1886. Kimberley's diamond magnates, together with a new influx of adventurers from around the world, extended their sights to the new prospects. As in diamonds, local capitalists played a prominent role, reflected in the early emergence of coordinating bodies such as the Johannesburg Stock Exchange (1888) and the Chamber of Mines (1889). But most of the vast sums necessary for extraction of the abundant but low-grade ore came from European investors. Sixty percent of the £200 million invested before 1932 came from abroad. Earlier, in 1913, the percentage of shares held outside South Africa was even greater—over 85 percent.

The structure of the industry took on the distinctive form of "mining houses," which maintained investments in and supplied management and other services to separately incorporated individual mines. In this system, still in operation, each mining house keeps a "stable" of mines, often sharing ownership with other houses, thus spreading the risks and hedging their bets against unexpected failures should a mine flood or the grade of ore decline.

European financiers such as the Rothschilds might back a particular house by acquiring large blocks of stock, while individual investors, in England, South Africa, or on the European continent, could indulge in the "Kaffir"* market on the stock exchange of their choice (most frequently, London). Most of the leading houses were registered in London, although much capital was raised as well from France and Germany. Company organizers such as Rhodes or Alfred Beit, in South Africa and London, made sure that they got major blocks of "founder's shares" when new

* Derived from the Arabic for "infidel," *Kaffir* came in southern Africa to be used as a derogatory term for Africans. As early as 1889 the plural *Kaffirs* was applied in London to South African mining shares.

companies were set up, and were generally able to end up with profits from trading on the stock market even when the small investor waited for dividends in vain.

Two groups dominated the gold-mining industry—Wernher, Beit & Co. (the "Corner House") and Consolidated Gold Fields. Between them in 1900 they held 60 percent of the market value of gold stocks. Their leaders played prominent roles in directing the affairs of the Chamber of Mines, and in representing the industry politically. French and German investors at times provided much of the capital even for these industry giants, while some smaller firms, such as A. Goerz and General Mining, were directly controlled by German capital. But control of the largest firms, and dominance in the industry, was solidly in the hands of partners based in England and South Africa.

Gold was also the lure in what was to be Rhodesia to the north. In the first years of the Rand (as the Transvaal gold area was called), Rhodes had failed to stake sufficient claims on the richer outcrop reefs, and his Gold Fields company (founded 1887) had been forced into investments in diamond shares just to keep its capital.

In pursuit of a "Second Rand" and the extension of British sovereignty to the north, Rhodes used a new company—the British South Africa Company (1889)—to move into Mashonaland and Matabeleland, the two provinces of the future Southern Rhodesia. The results were disappointing. There was no Rand-like concentration of ore. Still, many small mines were developed by settlers, often on the sites of ancient African diggings. As a result, gold production in Southern Rhodesia, though scarcely a tenth of that in South Africa, proved the country's major export earner up to World War II.

The Rhodesian gold industry was less concentrated than that of South Africa. The several hundred companies included a few large producers, but most were small and many only marginally profitable. (In 1915 eight large mines produced 45 percent of total output, while the remaining 500 mines provided 55 percent.) After the industry survived its early crises of exaggerated expectations, South African mining houses and larger British investors took new interest. By 1911, companies affiliated to the Rhodesia Chamber of Mines were able to clear profits of over £925,000.

The production of diamonds and gold for export shaped the transport network of railways and ports that quickly bound the subcontinent into a regional unity. Financed largely by state or state-guaranteed loans, railway lines snaked in from the coast to provide economical and rapid transport for mining machinery on the way in and ore on the way out. Kimberley was connected to Cape Town in 1885, and after the discovery of gold, no less than three railways soon tied the Witwatersrand to the coast, competing for its trade. The Cape route was completed in 1892, that to Lourenço Marques in Mozambique in 1894, and the line to Durban in Natal in 1895. Bulawayo in Southern Rhodesia was linked through Bechuanaland to the South African system in 1897, while its sister city, Salisbury, gained an outlet to the sea via a small-gauge railway to Beira, Mozambique, in 1899. In 1902 the Bulawayo-Salisbury link was filled in.

Other minerals, while trailing behind diamonds and gold, also attracted interest. Coal served as the basic fuel for mine and railway. The coal mines of South Africa (in Transvaal and Natal) and of Rhodesia (at Wankie) supplied the needs of the region as far north as Congo, and were in general controlled by the same financial groups as those involved in the gold mines.

Southern Rhodesia began the production of chromite and asbestos before 1910, soon ranking among the top world producers of the former, which was used in the manufacture of stainless steel. Northern Rhodesia's lead and zinc mine at Broken Hill led to the extension of a railway 350 miles north of the Zambezi by 1907. By the 1920s there was also significant production of platinum in the Transvaal. And then there was copper, which dramatically extended the boundaries of the mining region to the north. By 1935 this mineral even outranked diamonds among sub-Saharan Africa's exports.

Some copper was produced in the Cape Colony and South West Africa from the mid–nineteenth century. In Transvaal the Messina copper mines, controlled by Britain's prominent Grenfell banking family, began operations in 1904. These deposits were dwarfed as first Katanga, in the Belgian Congo, and then the Northern Rhodesian copperbelt came into production. Katanga's higher-grade ore was mined from 1912 by Union Minière du Haut-Katanga, in which the British Tanganyika Concessions held a 40 percent interest. (Tanganyika Concessions was run by a British competitor of Rhodes, Robert Williams.) Northern Rhodesia's copper was worked from the 1920s, with production expanding substantially after 1933. Control over these mines was shared by South Africa's Anglo American Corporation and Rhodesian Selection Trust, financed jointly by British and American capital.

Pushing up across the Zambezi River, Rhodesian Railways were linked to Katanga by 1910. The Angolan outlet for Katangan and Rhodesian copper was slower. Tanganyika Concessions initiated construction of the Benguela Railway from the coast early in the century, but it was only completed in 1931. A Belgian "national route" to the mouth of the Congo River began functioning three years earlier, from 1928. For two decades at least, Katanga's major rail outlet was through Rhodesia and South Africa. With rail links went a multitude of other ties.

The mining economy thus helped create a southern Africa region.* Financial interlocks and railway lines tied Katanga and Cape Province, Salisbury and Johannesburg. Mine recruiters sought African workers throughout the region. White mine managers, skilled workers, and settlers spread out along the railways, taking with them South African notions of white supremacy. Countries such as Bechuanaland, Mozambique, and the Belgian Congo were ruled from Europe. But the local weight of South Africa was often of decisive importance.

Even today, after the political independence of most of the countries in the region, the economic ties with the white-ruled south are pervasive. As a result, the whole region is inextricably involved, on the political and military level as well, in the protracted conflict over the abolition of white-minority rule.

The Structures of Racism

"The cost of Boer loyalty has been met to a very slight extent by drafts on British magnanimity; the big drain has been on the material and spiritual pockets of the natives. Britain has, in effect, fumbled about with her small change, and then, jerking her head towards the native, remarked, 'My friend will pay.' "[5] So Leonard Barnes, an early British critic of the South African racial system, sounded what was to be a familiar liberal theme. It is an apt comment on the abandonment of African interests involved in the creation of the Union of South Africa.

Hidden within this typical formulation of the problem, however, is an oversimple and misleading assumption—that the root of South Africa's racial system lies in the attitude of the Afrikaners, while the outside British influence would likely act in a progressive manner, favorable to African interests, if it only exerted more effort. It is a theme that, with variations, has recurred in South African liberal arguments that racial progress could be achieved through modernization and industrialization, or in the still

* There are a variety of possibilities for delimiting "southern Africa" as a region. Bowman (1977) includes nine countries: South Africa, South West Africa (Namibia), Rhodesia (Zimbabwe), Angola, Mozambique, Lesotho, Botswana, Swaziland, and Malawi.

In this book the region includes these, with several additions. Zambia and Zaire (Congo) are included because of their connections through the nexus of financial interests, railways, and labor migration. When political issues at different periods are considered, Kenya and Tanzania (Tanganyika) also are added, Kenya as part of British "white man's Africa" and Tanzania as part of the modern struggle against white-minority rule.

common refrain that South Africa's problems today are caused primarily by the unique recalcitrance and rigidly backward views of its Afrikaans-speaking rulers with their ideology of apartheid. In its extreme form, this emphasis even gives the impression that modern South African racism began with the victory of the Afrikaners' National Party in 1948, and that the British-oriented governments earlier in the century were advancing on the road to liberalization.

In a general sense, of course, the ideas of European exclusiveness and superiority did date back to the early Dutch-speaking settlers. The racial mixing that produced the Cape Coloureds may have also ensured that many "whites" also had non-European ancestors. But an ongoing belief in white superiority was coupled with insistence that blacks were destined and obligated to provide the labor force for whites, whether by slavery or other means.

The standard view of South African history, as exemplified, for example, by liberal historian W. M. Macmillan, portrays the nineteenth-century English takeover as a challenge to this racism. Offended by the abolition of slavery, the most recalcitrant Boers trekked into the interior to avoid any hint of equality between black and white. This picture, like all enduring myths, contains elements of truth. Many nineteenth-century Boers did vigorously defend this racist stance against what they regarded as dangerously liberal missionary and imperial views on the rights of natives. Imperial officials as well as missionaries did often regard the Boer treatment of Africans as cruel, harsh, and likely to provoke needless conflict.

The fallacy lies in what is assumed by default about the non-Boer European presence. In fact, English-speaking settlers in the eastern Cape and Natal were hardly more liberal than the Afrikaners dominant elsewhere in South Africa. After the abolition of slavery in the Cape, new mechanisms of labor control—Masters and Servants laws, pass laws—were instituted over "non-Europeans" by the British colonial authorities. Only a minuscule fraction ever qualified to vote. Imperial troops and British settlers as well as Boer commandoes fought wars of conquest against the "Kaffirs," and defended the principle that the right to rule was reserved for whites. Missionary paternalism and British imperialist convictions reinforced this assumption and justified the dispossession of Africans from their land.

The racial system of the last hundred years has incorporated racial ideologies and strategies for control over a subordinate population from both Boer and English heritages. But it has been decisively shaped and fixed in place by the mineral revolution, which both accelerated the demand for cheap African labor and provided the resources to maintain the system.

MEN FOR THE MINES

In recent years scholars of both liberal and radical persuasion have begun to trace out the distinctive features of the southern African mining industry. They have found that its impact was profound, not only in the directly economic sphere, but also in shaping government policies and the society at large.

One formulation that captures the main point of an admittedly complex discussion is Frederick Johnstone's distinction between what he terms "job color bars," advocated by white workers as protection against African competition, and "exploitation color bars," devised by white property owners to ensure a cheap black labor force.

The employment color bars, those restrictions that prevent African workers from advancing upwards to more highly skilled and highly paid jobs, have often been in the foreground of political debate in South Africa. Mineowners, wishing to substitute cheaper black labor for white workers in more and more job categories, have been pitted against white workers demanding protection by restrictions against Africans. As the early generations of English-speaking white mine workers came to be replaced by Afrikaners, these white worker protests came to be linked with Afrikaner nationalism and its resentment of the English. As Afrikaners came to play the leading role in white politics, this particular stream of racism took on more and more prominence in public life. By contrast English-speaking whites, particularly the capitalist mineowners, industrialists, and managers, came to be seen as "liberals."

Johnstone, however, argues that the employment color bars demanded by white workers were secondary to and dependent on exploitation color bars, the result of decisions by property owners, particularly mining capitalists. These bars are the basic mechanisms for mobilizing and maintaining the massive cheap African labor force—land and tax policies that force Africans into wage labor, pass laws and mining compounds that regulate their movements. The job color bars, for their part, deal with subsidiary questions: just where the boundary between white and black labor should be drawn, and the extent of flexibility at the margins.

This full-fledged system dates only from the late nineteenth century. Earlier in the same century, Coloured ex-slaves had been joined in the whites' work force by Bantu-speaking Africans displaced by conquest or the Zulu expansion. In mid-nineteenth-century Natal, the sugar plantations had recourse to indentured workers from India. Although farmers even then complained about "labor shortages," the demands for workers in a subsistence, wool-and-sugar economy seemed manageable.

When the impact of the mineral discoveries hit the subcontinent, the demand for labor jumped, not only for the mines themselves but also for the railways, commerce, and new commercial agriculture that catered to the mining market. At the same time, many African societies retained sufficient independence that their members found little attraction in the prospect of work as wage laborers in the white man's economy.

The African response, as judged by employers, was not adequate. Africans as yet unconquered—or even in the reduced reserves assigned to them—often preferred to stay home, producing their own food "in idleness" (as the whites saw it). Africans close enough to the new markets turned to production of food crops for sale, in competition with white farmers. Throughout southern Africa for several decades, significant groups of successful peasant farmers were emerging. But that success provoked a white counteroffensive designed to produce more willing wage-workers.

One consequence of African independence and the new initiatives by African farmers was, from the side of the white employer, a chronic "labor shortage." Between 1890 and 1899 the number of African workers in the gold mines rose from 14,000 to 97,000. Still, calculated the South African Native Affairs Commission in 1905, there was a shortfall of some 307,000 out of a total demand for 782,000 African workers for mines, factories, and farms.

According to Colonial Office official and future Labour M.P. Sidney Olivier, a strong critic of South Africa, these conditions fostered the theory "that the native must be educated and civilized by teaching him to labor and to want." "It is a theory," Olivier continued, "that coincides most providentially with the purposes for which the white man is there, viz., to get things dug up which the native does not want to dig for."[6]

One theoretically possible response to "labor shortage" would have been more extensive mechanization, and acceptance by employers of limited wage increases to be compensated by gains in productivity. But the demands of white farmers and the particular conditions in gold mining made maintenance of cheap labor by coercion a particularly attractive option. Black exclusion from political power and the development of tools of repression and control made it possible. Africans, militarily defeated and divided, faced major obstacles to parlaying the labor shortage into improvement in wages.

The mines had their particular reasons for cutting costs on African wages and refusing to compromise on their demands for an abundant supply of cheap labor. The overall grade of the gold ore was low, much lower than was profitable to work in other parts of the world. Large quantities of ore thus had to be worked for the recovery of gold, leading to a high level of capital costs for establishing and maintaining a mine. The technical requirements for mining the narrow veins at great depth, with much of the work carried on in confined spaces, made mechanization difficult. And for long periods of time the price of gold was fixed by its role in the international economy. The industry, although highly concentrated, did not have the option of passing on increased costs to consumers.

Politically, too, it would not have been advisable to pay higher wages. The industry was in competition for workers not only with the smaller urban nonmining sector (that did pay higher wages) but with white agriculture, largely in Afrikaner hands. Farming was also a low-pay sector, which reacted strongly against any "unfair competition" for workers.

The alternate means evolved for getting African labor were various. Appropriation of African land limited the resources of traditional societies. Rhodes's pattern-setting Glen Grey Act in the Cape (1894) was designed to force a portion of Africans in Glen Grey district to work as migrant laborers, by imposing taxes and replacing communal land tenure with individual title to land in native areas. Masters and Servants Laws, modeled on Cape legislation of 1856, locked Africans into contracts, no matter how harsh the working conditions. Transvaal mineowners pressed for a Pass Law (1895) to control African movements and counter African tendencies to return home or seek better employment.

High Commissioner Milner, whose efficiency the mineowners praised, was convinced that one of his main tasks was fostering the industry's growth. What the mineowners ask, Milner commented, reflecting a common official attitude, "is that the Government should do what it can to prevent the natives, whom they have obtained at great cost, and whose interests are safeguarded by the law in so many ways, from breaking away from their contracts in a mere excess of childish levity, or being tempted away by unprincipled labor thieves. And this is surely a reasonable demand."[7]

The mining industry, with government help, did succeed in forcing wages down and still getting adequate supplies of labor. Annual wages for African mine workers declined from thirty-nine pounds in 1889 to twenty-seven pounds in 1905. Black real earnings, at a little more than twenty-eight pounds for the year 1911, rose no higher for the next sixty years. White wages climbed, however, increasing the white/black earnings ratio from twelve to one in 1911 to twenty to one by 1969.

To achieve these results it took, in addition to the squeezes of land shortage and taxes and the vise of more effective pass laws, an elaborate system of region-wide recruitment of migratory labor. The Witwatersrand Native Labour Association (WNLA) recruited labor outside South Africa from 1896; inside the country the Native Recruiting Corporation began its work in 1912. For a short period (1904–1910) some sixty thousand Chinese workers were imported from China. This particular experiment was abandoned in the face of white fears of competition. But it did tide the industry over, reducing the leverage of African workers, until more effective mobilization of Africans was organized.

By jointly organizing the recruitment, mineowners avoided bidding against each other for scarce labor and made it possible to reach systematically the remoter areas where Africans had few other options to enable them to pay their taxes and supplement their subsistence income. The mines recruited from reserves in South Africa, especially the eastern Cape reserves of Transkei and Ciskei, where a large number of males were unable to make a living on the land. Other sources of migrant workers included Basutoland, which was surrounded by South Africa, densely populated Nyasaland, and especially Mozambique (known to English-speaking southern Africans as Portuguese East Africa).

The migrant-labor system had the advantage to the mineowners that the costs of supporting the miners' families did not have to be included in the wage bill. They were adequately supported, the theory went, by the traditional rural economy. (In fact, a growing number of families came to depend on remittances from absent workers.)

Costs were further reduced and control enhanced by the compound system, in which the "single" miners were (as they still are) housed in barracks adjacent to the mines, maintained in isolation even from the African housing areas in the cities. Initiated on the diamond mines partly in order to control smuggling, this system was extended to the gold mines because of its other advantages to employers—economy in expenses on food and housing, and a maximum of control in case of unrest.

With the mines' needs largely satisfied from foreign sources and from the reserves, white agriculture was able to maintain its work force from tenants and "squatters" in "white areas." Manufacturing, for several decades, required comparatively small numbers of black workers, and posed little threat to the supply of labor for the two primary sectors. It was accordingly possible to reach general agreement on the contours of an overall system of racial control. Apartheid's predecessor, it was called "segregation."

THE POLITICS OF SEGREGATION

Segregation in South Africa combined a system of reservations—"reserves," later to be called "Bantustans," and then "homelands"—for some rural Africans, with social, political, and residential discrimination against those Africans who lived or worked in the remaining "white" areas of the country. This system was not the simple expression of the racial prejudice of Afrikaner voters. In fact, both rural Afrikaners and the majority of other whites were adamant in denying the franchise to the African majority. But the precise form for political and administrative control over the disenfranchised was the result of prolonged jockeying between employers with different labor needs, as well as the determination of Africans to hold on to what land they could.

The Afrikaner majority among the white electorate, with its blunt dictum of "no equality in church or state," gave a harsh tone to discussions of the "native question." Questioning of white supremacy was politically unprofitable. But it was not the backwoods Boer nor his urban cousin who took the lead in tracing out segregationist policies. That was the work in large part of British colonial officials. And it was "moderate" politicians dedicated to Afrikaner-British cooperation who administered the system in its formative early years (the first Afrikaner nationalist government won power only in 1924). In spite of differences over detail, tone, or language between Boer and Briton, segregation was a cooperative venture between the leaders of both camps.

Of particular importance for consolidating and systematizing the segregationist view was the report of the South African Native Affairs Commission (1905), headed by Transvaal Native Commissioner Geoffrey Lagden, formerly a British colonial official in Basutoland. The policy that commission approved—of reserving certain areas for Africans and excluding them from property rights in most of the country—was defended in paternalistic terms, as a means to protect Africans against unlimited white encroachment and to preserve traditional order.

There was an early tendency for mineowners and other employers to reject this view in favor of a more complete proletarianization of the work force and no restrictions on white acquisition of land. The memory of the African military threat was still alive, and areas reserved for them were feared as possible bases for attack. The segregationists replied that they were not proposing self-sufficient black states but rather dependent reserves that would not interfere with white interests. "It is neither useful nor reasonable," wrote Lagden in 1904, "to expect that the natives should be endowed with land in such quantity and on such terms as enable them to live at leisure."[8]

Howard Pim, the Transvaal's leading accountant, further elaborated the advantages of segregation in papers presented in Johannesburg, where his ideas were favorably received and disseminated by prominent members of Milner's Kindergarten such as Lionel Curtis (who later founded Britain's Royal Institute of International Affairs). According to Pim:

> The reserve is a sanatorium where they [the Africans] can recruit [recuperate]. Their own tribal system keeps them under discipline. All this without expense to the white community.[9]

Furthermore, he reasoned, if African families lived in urban locations, the wages paid to workers would have to support them, while

> If these persons live in a reserve, they will all take part in growing their own food, and in no way depend on the white community.[10]

Division of the land between black and white was formalized in the Natives Land Act of 1913, which reserved 7 percent of South Africa's total area for African occupation and ownership, and limited the extent of African ownership in the rest of the country. The climate of white opinion and the racial balance of power are revealed by the fact that this Act was seen by some whites as *protective* of African interests.

These basic structural features of South African society—division of the land, the whites-only franchise, and coercive mobilization of cheap black labor—form the broad common ground of white politics in South Africa. In subsequent years, of course, there has been much scope for differences. Discussion of the limited Cape franchise—its extension or abolition—could excite many passions. When Afrikaners, workers, and "poor whites" expressed their grievances, trying to resolve them by new restrictions on Africans was an ever popular political ploy. But, long before the word "apartheid" was coined, the basic parameters of political debate were well defined.

VARIATIONS ON A THEME

Similar regimes of control over African labor were established elsewhere in the region, although nowhere as strongly based as in South Africa. The South African model was most closely approximated in Southern Rhodesia. There, as in South Africa, effective political power fell into the hands of local whites. African land rights were restricted while white farmers occupied large tracts. Taxes and recruiters mobilized workers for farms and mines, while pass laws and the Master-Servant Act of 1901 provided penalties for those seeking to escape their obligations to white employers.

The Rhodesian gold-mining industry, with its many small workings, was more marginal in economic terms than that of the Rand, and just as pressed to cut costs for African labor, one of the few items of expense subject to control. In the first decade of the twentieth century, the mine-owners moved to reconstruct a precarious industry by pressing down wages. The British South Africa Company helped organize the Rhodesia Native Labour Bureau (RNLB), which by recruiting workers in Mozambique, Nyasaland, and Northern Rhodesia undermined the potential for Rhodesian workers to force up wages. Although later the RNLB supplied a declining proportion of the mine workers, it had served to increase the industry's bargaining power at a crucial stage. And, unlike WNLA in South

Africa, the RNLB also supplied large numbers of workers for white agriculture.

In Southern Rhodesia, where outside control was represented first of all by the British South Africa Company, the Colonial Office was a distant reality. Settlers attracted by the prospect of land and booty made up the military force that subdued the Africans. Failing to realize its expectations of massive gold finds, the company tried to attract more settlers and recoup its expenses by selling land as well as taxing and charging rent to Africans. The most fertile land and that closest to transportation routes was allocated to whites, beginning the long-term impoverishment of overcrowded areas left to Africans.

Southern Rhodesia accepted the liberal Cape franchise, with literacy and income qualifications and thus theoretical equality for the races. This posed no threat to white supremacy, however, and the legislative council initiated in 1898, with four elected members and five BSAC appointees was, of course, all white. The company and the settlers had their conflicts —poorer farmers or prospectors, disappointed in their expectations, or skilled white workers on the railways and mines, had a multitude of grievances against the company administration, which wished to minimize expenses in the territory. But unity was strong when it came to the basic premises of white control or to providing for the supply and control of African labor, which alone could make possible a return on investment.

The BSAC's stockholders did not get any dividends as long as the company was responsible for government administration (although inside directors made profits, an estimated £3 million in stock transactions in 1893, for example). Nor did all settlers prosper. But the dynamics of white politics ensured that on-the-spot protest was linked with advocacy of greater, not fewer, restrictions against Africans. In London, the BSAC executives managed to placate stockholders with hope of future profits, eventually realized after 1924 when the British government paid the company £1½ million and took over the administration in cooperation with local settlers.

In Namibia, under German rule, the role of settlers in administration was minimal, but the pattern of cheap migratory labor paralleled that in South Africa or Southern Rhodesia. After repression of a 1904 revolt, in which the Herero and Nama people were decimated, the Germans had little prospect of finding the labor they needed in the southern part of the country. Their solution was to concentrate the remaining southern population on the farms and in the towns by a system of forced labor. Meanwhile, the Otavi copper mines and Luederitz diamond mines (opened in 1906 and 1908, respectively), as well as the railways, were served by migrants from Ovamboland in the far north. The Ovambo chiefs, who had fallen into debt after the destruction of their cattle stock in a rinderpest epidemic in

1896, tried to make up the deficit by requiring tribute from their subjects, leaving many persons with little alternative but to accept the contracts in the south.

In other areas of southern Africa also, a variety of factors turned African rural economies into labor-exporting reserves. Colonial authorities imposed taxes to increase the Africans' need for cash and induce the men into "useful" employment. Development policies for agriculture favored white farmers and provided few incentives for independent African peasants. The rinderpest epidemic hit cattle-raising peoples—whose wealth was their cattle—with the impact of the Wall Street crash of 1929 on industrial economies. Colonial administrators and tribal chiefs subordinate to them often used direct coercion to get workers for specific projects.

The whole region made contributions: in the first decade of this century, South Africa was meeting its needs for cheap labor not only from its own internal "reserves," but also from Mozambique, from the British territories of Basutoland, Bechuanaland, and Swaziland, from Nyasaland and the Rhodesias and, in small numbers, from even farther north. Southern Rhodesia was recruiting from Northern Rhodesia, Nyasaland, and Mozambique. South West Africa drew on the Cape and on Ovambos from both the Angolan and South West African sides of its northern border.

The largest number of migrants came from Mozambique, under the terms of a British-Portuguese treaty. The system not only profoundly affected southern Mozambique, but also proved indispensable to South Africa's mining industry for more than seventy years. The response of Lionel Curtis, when his colleague Perry returned from Lourenço Marques in 1902 with a new agreement, is indicative: "It appears that he has obtained not 80,000 but an unlimited number. . . . I am designing a great cartoon representing Peter [Perry] at the head of his countless hoards. The mines are in transports of delight."[11] The Mozambican miners preferred recruitment by WNLA to the rigors of forced labor on plantations or roads within Mozambique. They normally stayed longer than South African recruits (an average of eighteen months as compared to twelve), and were disproportionately represented among the more experienced African miners into the late 1970s.

The regional character of the system, acknowledged by government and industry planners, was also readily apparent to workers. Africans quickly became aware of relative wage rates and conditions—which countries, which sectors, which mines were worse and which better. They did what they could to avoid the least objectionable alternatives—by desertion, by evading recruiting agents in favor of hiring on directly, or by making long and arduous trips to the better job markets. Others fought against long odds to maintain some degree of economic independence, to improve or simply maintain agricultural production. But the constraints were powerful, the loss of political independence a decisive blow, and the last recourse of armed resistance increasingly difficult.

By 1910 only Angola and the Congo Free State were still largely outside the integrated mining-labor-export region, their incorporation still to come. In these areas there prevailed a ruthless exploitation of resources, with no thought even to the long-term preservation of a labor force—a system economic historians have termed *Raubwirtschaft* ("robbery economy"). Rubber, collected wild in the forest under forced-labor conditions, was the leading export in each country.

King Leopold's Congo became notorious for conditions in the rubber trade, with torture, multilation, or death the penalty for failures to meet quotas, or perhaps death by starvation because no time was left for the workers to grow their food. The Belgian king, holding the territory as his private domain, imposed no restraint on his concessionaires save the demand for profits.

In Portuguese-controlled Angola, rubber exports were supplemented by the export of workers to the cocoa plantations of São Tomé, off the coast, a system that critics maintained was simply the slave trade under a new guise. Portuguese defenders of the system responded that São Tomé workers were better treated than Mozambicans in South Africa's mines, but the critics countered that at least the Mozambicans were permitted to return home.

The Limits of Dissent

Ironically, Angola and the Congo raised humanitarian outrage in Britain far greater than that excited by the Transvaal and its mines. In 1906, journalist Henry Nevinson wrote *A Modern Slavery*, describing the horrors he saw in Angola, and E. D. Morel for the Congo Reform Association denounced King Leopold in *Red Rubber*, which was filled with eyewitness accounts of atrocities. Linking their critiques to traditional antislavery themes, they contended that Britain should press for more humane regimes and opportunities for legitimate trade, free trade that would build up rather than destroy African communities.

When Belgium took over Leopold's private domains and began colonial development of a more conventional kind, and Portugal moved to allow the São Tomé workers to return to Angola, the campaigns were judged a success. Yet forced labor in Portugal's African colonies continued into the 1960s, and the Belgian Congo at independence witnessed to a tragic colonial legacy of underdevelopment.

The critiques of the British humanitarian lobby were limited, their effects felt for the most part on the margins. In Angola and Congo the targets of criticism were foreigners, and the area was as yet outside the reach of the British-dominated mining economy of southern Africa. Where that economy prevailed it was more difficult to bring critique to bear, and the more radical dissenters were easily marginalized.

Africans' resistance to conquest and their vocal protest against the emerging system of racial domination proved ineffective. The wars of resistance were defeated, with only isolated voices denouncing the cruelty of European conquest. Rarely did the whites question their own right to rule. Hopes harbored by educated Africans, appealing to humanitarian British principles, were disappointed as it became clear that the ideals were very selectively applied. What came first were the realities of power and racial prejudice, the assumptions of the necessity for British hegemony and for collaboration with local whites.

In Southern Rhodesia the Ndebele had been tricked into signing away their land in 1893, and Shona territory occupied simultaneously without major battles. Three years later Shona and Ndebele together rose against white occupation, with its denial of land and imposition of taxes. Rhodes, fresh from the disgrace of the Jameson raid, mobilized both imperial and volunteer troops and reimposed control, inducing first the Ndebele and then the Shona to submit. Three hundred seventy-two whites were killed during the revolt, about 10 percent of the entire white population. African casualties, the total uncounted, numbered in the thousands.

South African writer Olive Schreiner wrote a bitter novel, *Trooper Peter Halket of Mashonaland,* in which Halket, in a visionary dialogue with Jesus Christ, is converted from the rapacity and cruelty of Rhodes's war, and frees a wounded African civilian who is about to be executed. Halket is then killed by his own commander, his action a noble but ineffective gesture. Reports such as these aroused sentiment against Rhodes in British humanitarian and left-wing circles. But they had little effect on the actual course of events in southern Africa.

Threats of revolt were felt to some degree throughout the region, and persisted at least into the 1920s. In Angola a 1902 revolt in the Bailundo area, targeting local traders and tax collectors engaged in the slave trade, was only the most prominent of a series of conflicts that ensured that Angola was not really "pacified" until the second decade of the century. On the Mozambique-Southern Rhodesia border, Mapondera and his followers fought both Portuguese and Rhodesians, evading capture until 1904. Elsewhere as well, the revolts that broke out were but the visible peaks of a far more extensive range of localized actions of evasion or resistance.

Perhaps the most bloody repression of reluctant subjects was in the case of the Herero revolt in 1904–1905 in South West Africa, where German commander Von Trotha adopted a deliberate policy of extermination. By the time he returned to Berlin at the end of 1905, only an estimated sixteen thousand Herero remained alive out of an original population of some sixty thousand. The campaign to repress a parallel revolt by neighboring Nama people continued into 1907, with comparable casualty rates among this smaller group.

Meanwhile, on the other side of the continent, Zulus, rebelling against new taxes and the transfer of imperial authority to local settlers, had created panic among whites in the Natal colony. In February 1906, two white police officers were killed in a clash with tax resisters. At the end of March twelve participants were executed after a summary court martial—the imperial government had suggested a delay and perhaps clemency, but quickly backed down when Natal government ministers threatened to resign. In April a minor Zulu chief named Bambatha began a guerrilla campaign, and later the traditional Zulu heir to Shaka's kingdom, Dinizulu, was accused of complicity. White casualties during the revolt numbered twenty-four; among the African rebels and their families some three to four thousand were killed.

Harriete Colenso, whose father had been Bishop of Natal, defended Dinizulu with a small band of supporters in England, but they were able to get little satisfaction from the Colonial Office. There, Under-secretary Winston Churchill penned bitter memos on the foolishness and cruelty of the local colonists, but publicly stuck to the official position that it would be unthinkable to interfere with the Natal colonists' right to run their own affairs. Such interference, it was assumed, would provoke white hostility and undermine the imperial position that rested on the support of white colonists.

Again and again African military resistance met with defeat in the face of superior white forces and division on the African side. Not only were the different revolts rarely coordinated with each other, but it was generally possible for the white regimes to find African chiefs as allies and to make use of African levies pressed into military service. Still, the balance of military power would have been more equal, as it had been earlier in the nineteenth century, were it not for the role of outside forces from Europe. According to historians Shula Marks and Anthony Atmore: "The balance was decisively tipped in favor of the white settlers by the large use of imperial troops armed with modern weapons, rather than by a great increase in the military effectiveness of local forces."[12]

Before the 1890s, African chiefs had often purchased weapons with money earned by their followers on the diamond mines. But with greater control of the sales by white authorities, and the move by white armies to Maxim machine guns and field artillery imported from Europe, it became more difficult for African resisters to approach equality in firepower. Imperial troops supplemented the weapons, not only in areas sparsely settled by whites, but in South Africa itself. Even after the formation of the Union of South Africa, a British garrison remained to guard against the "potentially hostile coloured population" until the Union organized its own defense force.[13]

Confronted with this overwhelming strength, many Africans devoted their attention to survival or protest within the context of white domination. Workers and peasants sought to make the best living they could, while by 1900 some one hundred thousand Africans were already pursuing education in mission schools in South Africa. Resistance in the workplace was evident in employers' complaints of "laziness" and "desertion." From the 1890s, breakaway churches sought autonomy from white control, while some educated Africans sought inspiration in Booker T. Washington's ideas of advance through education and economic self-improvement.

Still others, taking advantage of the Cape system of voting rights for "civilized" Coloureds and Africans, or of Portugal's analogous "assimilation" policy in Angola, sought to agitate for equal rights by appealing to the colonizers' own declared ideals. In Angola José de Fontes Pereira, a *mestiço* (mixed-race) journalist, was denouncing forced labor and racial discrimination as early as the 1870s, calling for expanded education and eventual rule by the majority of educated Africans. At the same time in the Cape, politician-journalist Tengo Jabavu opposed the pass laws and hoped for expansion and greater influence for the African vote. In 1887, the passage of a Registration Act disenfranchising thousands of African voters in the Cape provoked protest meetings, a petition to Queen Victoria, and editorials in Jabavu's newspaper, *Imvo Zabantsundu (African Opinion).*

As imperial policy moved step by step after the Anglo-Boer War toward greater autonomy for local whites, groups of Africans and Coloureds mobilized to petition for consideration of *their* case. In 1905, thirty-three thousand Transvaal Africans signed a petition to the British government asking that their interests be safeguarded in any future constitution. In 1909, a delegation joining former Cape Prime Minister W. P. Schreiner with black leaders such as Tengo Jabavu, Rev. Walter Rubusana, and Dr. Abdullah Abdurahman arrived in London to protest against color-bar restrictions in the proposed Union constitution. Mohandas Gandhi, representing South Africa's Indian community, came with similar objections.

A handful of MPs supported the delegations. But the Colonial Office and the majority in parliament regarded changes in the compromise proposal reached by the all-white constitutional convention as out of the question. The petitioners had placed their hopes in the British humanitarian tradition of antislavery campaigns and the theoretically nonracial Cape franchise. In a pattern later to be repeated countless times, their hopes were disappointed.

That such expectations were plausible at all stemmed from the contrast that did exist between the Boer tradition of "no equality in church or state" and the more flexible views often expressed by Cape liberals, missionaries, or imperial officials. Still, no substantial political faction in Britain was willing or able to exert much effort on the behalf of Africans.

For Conservative and Unionist imperialists in Britain, in office from 1885 to 1906, the tendency to be anti-Boer had a few weak pro-African corollaries: opposition to excessive crudity of the Boer approach to the "native question," and advocacy of the Cape franchise as a safety valve for educated "nonwhites." But they were also convinced, with Rider Haggard's friend Kipling, of the "white man's burden," the inferiority of subject races, especially Africans, and the divine right of the British Empire to hegemony. Their hero Rhodes might speak in 1900 of "equal rights for every civilized man south of the Zambezi," but he had already shown in 1892 how the franchise requirements could be raised to ensure that not too many Africans or Coloureds would count as "civilized." On the basic questions of subordination of African labor and lack of political rights for the majority of Africans, the differences between Boer and convinced British imperialists were easily bridged.

For the Liberals, who took office in 1906, the position was more ambiguous. Some party members held humanitarian and anti-imperialist views, but primarily the party's name connoted free trade and free enterprise, not the modern ideals of human rights. On South Africa the party was divided. Most rejected the ultrapatriotic excesses of the "new imperialism" but accepted in general the need for Britain to rule, at least in those territories already conquered. They stressed the need for self-determination for Britain's (white) overseas possessions, advocating autonomous status for them within the Empire. Consequently they advocated a conciliatory policy toward the Afrikaners, which led logically to sacrifice of African interests that Liberal humanitarianism might otherwise be expected to defend.

Liberals did raise anti-imperialist or humanitarian banners in several major campaigns between 1890 and 1910. The Jameson raid was occasion for denunciation of Rhodes and the other Randlords. In spite of pressures for patriotic conformity, the Anglo-Boer War provoked a vocal antiwar movement. Liberals denounced with vehemence the use and mistreatment of Chinese laborers in the mines of Transvaal, King Leopold's savagery in the Congo, and the export of Angolan forced labor to São Tomé. But in none of these controversies did they mount a challenge to the key assumptions of British hegemony and African economic and political subordination.

The left Liberal (Radical) critique of the Anglo-Boer War was limited both in content and in influence on policymakers. Often pro-Boer, the critics tended to focus narrowly on the Randlords, the most aggressive British politicians, or British war atrocities. The Radicals did effectively debunk the argument that the war was being fought to protect African interests. But it was hardly possible to contend that the Boers were more favorable to African interests than the British. The more farsighted Radicals wishing to be both pro-African and pro-Boer found themselves in a logical cul-de-sac.

Given the already massive buildup of white military and political predominance, backing African interests would mean the alienation of both Afrikaner and English colonists. This would then lead to imperial withdrawal or a massive commitment of British troops to enforce the new policy. Both alternatives were virtually unthinkable, and Hobson, for one, concluded that the best solution possible would be a return to the status quo before the war. An independent Transvaal, he thought, would at least mean more restraint on the Randlords.

Hobson and his sympathizers argued that Britain could have adequate markets for its industries by developing the home market and selling abroad without the special advantages of new imperial expansion. This, they said, only benefited special interests, not the country as a whole.

The British political climate, however, was not receptive even to this critique, which, as far as South Africa was concerned, went little beyond the question of which whites would rule. Not only Randlords, but British industrialists, financiers, and politicians were convinced of the justice of the British cause. In middle-class circles antiwar critics were ostracized, while Radicals failed to mobilize a potentially sympathetic working-class constituency. For most Liberals and virtually all Conservatives, withdrawal from Empire—except to leave it in reliable white hands—was not an option.

Liberal government action in phasing out Chinese indentured labor in the Transvaal also illustrates the limits of the standard Liberal critique. They denounced the Randlords and the Conservative government for this system of semislavery, but the system of migratory labor from Mozambique and other measures enforcing cheap African labor were accepted as normal and legitimate. It was not too difficult to oppose exploitation of Chinese labor—the Boers too wanted the Chinese out for fear they would be used to cut wage rates and job opportunities for whites as well as blacks.

Challenge to exploitation of black workers, however, would have met with united opposition from Boer and British colonist, from farmer as well as Randlord.

Few critics went as far as Sidney Olivier, Labour MP and former governor of Jamaica, who denounced the subordination of African workers to white masters and called for direct imperial rule to safeguard African interests. Olivier's proposals, or those of the African petitioners and their supporters who lobbied in London, were restrained—falling far short of later demands for one person, one vote. But they were still far too extreme for Britain's rulers.

In one oft-repeated argument with a strikingly contemporary ring, the 1909 petitioners were told that they must trust to the prospect of liberalization among South Africa's whites, the "British subjects of European descent" who alone were eligible for membership in the Union parliament. If the whites came to feel secure, and not threatened, they could gradually be brought to treat the Africans better. The Cape Liberal tradition and the paternalistic benevolence of British native policy as exemplified in Basutoland—they were told—might well spread to the rest of the subcontinent.

Pessimists who saw in current indifference to African interests no real hope for future change proved more accurate.