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UNIVERSITY OF THE WITWATERSRAND

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Title: "Plantations in the Political Economy of colonial Sugar Production: Natal and Queensland, 1860-1914".

by: Adrian Graves and Peter Richardson

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University of the Witwatersrand, African Studies Institute.

African Studies Seminar

"Plantations in the Political Economy of Colonial Sugar Production: Natal and Queensland, 1860-1914"

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Adrian Graves and Peter Richardson

27th August, 1979 in C.B.8
at 4.p.m.

Since 1650 the production of cane sugar for sale in international markets for domestic and industrial consumption has been dominated by the plantation as the unit of production. This form of production has been associated with many tropical agricultural crops in the Caribbean, Central America, Brazil and the Southern United States, but has always had a particularly close association with sugar. Such forms of production, which developed within the economic organization of the mercantalist empires of seventeenth century Europe, have traditionally been almost synonymous with the institution of slavery.(1) However, the freeing of slaves in all the plantation districts of the New World between 1834 and 1888 did not bring about an immediate end to this type of agricultural production. Indeed, the rapid growth of the international economy throughout much of the nineteenth century actually encouraged the maintenance of sugar plantations, and did much to facilitate their emergence in other parts of the world. Cuban sugar plantations, for example, did not reach their pre-eminent position in world markets until the use of slave labour had actually been rejected by the planters themselves. (2) Moreover, Natal and Queensland, areas with no traditional association with commercial sugar production or slavery, developed a form of wage labour plantation for the production of sugar after 1860, which drew heavily upon the organizational experience of other sugar colonies.

The persistance of plantation production, and its continuing and intimate but not exclusive relationship with sugar has not suprisingly attracted a considerable amount of scholarly attention. There has grown up over the years a formidable body of literature on the plantation system ofproduction, and its associated broader social and economic features. Generally this literature has concentrated upon the areas of plantation agriculture which have historically been identified with slavery. Two recent excellent studies of the nineteenth century sugar industry in British Guiana and Brazil, indicate the strength of the historiographical association of sugar production with the slave owning colonies of the Caribbean and Latin America.(3) Yet if one of the major themes of the history of international commodity production has been the survival of the

It is at this point that the 'classical' debate comes closest to the other source of the theory of the plantation economy. The characterization of the mode of production constituted by slave labour has been a preoccupation amongst marxist scholars for as long as it has amongst others. As Jairus Banaji has shown in an important recent article, two major strands within this tradition can be identified. The more generally accepted view has been that slave plantations were a form of pre-capitalist production, whose many capitalist features stopped short of a full form of capotalist production by virtue of their exploitation of slave as opposed to wage labour. Alternatively, slave plantations were seen as survivals of pre-capitalist relationships because of their low level of technique and their extensive and wasteful use of land resource. In attempting to suggest a more rigorous Marxist understanding of slave plantations, Banaji himself concluded that this specific form of production

> "differs from the classical form of capitalist enterprise mainly in its lower intensity of accumulation and in the fact that accumulation is here compatible with a constant composition of capital, and therefore with stagnant or declining levels of labour productivity... In short, the slave plantations were <u>capitalist</u> enterprises of a patriachal and feudal character producing absolute surplus value on the basis of slave-labour and a monopoly in land."(9)

In the late 1960s and early 1970s an important attempt was made by a group of Caribbean social scientists known as the New World Group to fuse the more obviously classical sources of this literature on slave plantations with some of the marxist aspects of the emerging debate on underdevelopment, to form an analysis of modern, post-slave plantation production. Members of this group are predominantly associated with the University of the West Indies in Jamaica, its most prominat writers being Lloyd Best and George Beckford. Best's major contribution has been to try and develop a universally applicable model of a pure plantation economy. In so doing, Best drew more heavily upon the intellectual heritage of Nieboer and Thompson than anywhere else, but also paid an obvious tribute to Irvine Goffman:

> " Where land is free to be used for subsistance production, the recruitment of labour exclusively for export production imposes a need for "total economic institutions" so as to encompass the active existence of the work force. The plantation which admits virtually no distinction between organization and society, and chattel slavery which deprives workers of any civil rights including the right to property, together furnish an ideal framework. (10)

Between 1969 and 1973, Beckford elaborated this conceptualization to include a vigorous critique of the notions of the dual economy and to show the meagre spread effects of modern plantation production. As a result, Beckford's book, <u>Persistent Poverty</u> remains the most influential statement of the theory of the modern plantation economy. (11)

In the article just referred to Banaji said:

> "The whole challenge which the 'Colonial Question' poses for historical materialism lies in establishing these distinct economic rythms and movements in tracing their specific origins according to the conjuncture of the world economy, and finally in grasping their deeper connections." (12)

To Beckford must go the honour of trying to identify some of these distinct economic rythms and movements of modern colonial plantation production. In an early article Beckford distinguished between what he termed "colonies of settlement", mainly in temperate areas such as the United States of America, Canada, Australia and New Zealand, and "colonies of exploitation", which were to be found in tropical areas. The pattern of agricultural production which emerged in the two types of colonies was significantly different. Generally speaking Beckford's attempts to develop a theory of the modern plantation rest upon this basic distinction, with plantation production being firmly identified with colonies of exploitation. Beckford's focus is consequently limited by this distinction. He concerns himself largely with the area of the Caribbean and the Latin American mainland which had a common cultural heritage of slavery, although he does include some of the tropical colonies of South East Asia, and the islands of the Indian and Pacific Oceans. This relatively limited geographical focus does not, however, inhibit Beckford form making considerable claims for his paradigm. Thus he described plantation economies as

> "those countries of the world where the internal and external dimensions of the plantation system dominate the country's economic, social and political structure and its relations with the rest of the world... wherever several plantations have come to engross most of the arable land in a particular country which is predominantly agricultural, that country can be described as a plantation economy or society and its social and economic structure and external relations will be similar to most described for the plantation system."(13)

In this way Beckford sought to establish a model of a plantation economy and society which was appropriate for all major areas of plantation production in the world, whether or not their initiation into this form of agricultural enterprise had originated in the slave-based mercantalist empires of the New World.

Although Beckford stuck to his earlier distinction between agricultural production in tropical and temperate colonies, in his later book he simultaneously enlarged his definition of the plantation economy to accomodate the more obvious exclusions from his model. Thus in Persistant Poverty there appears the notion of a plantation sub-economy and an enclave economy. In the former, the plantation systems exercised a dominating influence in sizeable regions of large economies but not over the whole economic structure. The regions which were seen to display this characteristic were the southern states of the U.S.A., north-eastern Brazil, and the Caribbean lowlands of Central America, namely Honduras, Guatamala, Costa Rica and Panama. (14) The enclave plantation economy was similar to the sub-economy in respect of its limited influence in the whole economy, but differed from it in that its interaction with the rest of the economy was considered virtually non-existent. Beckford identified Liberia, Kenya, Rhodesia and South Africa as examples of this type. (15) It was upon the general model of the plantation

When Beckford shifts his focus from the tropical colonies of dominant plantation production, to those regions or enclaves of tropical production under plantation agriculture, the limitations of his paradigm are equally evident. Firstly, there are strange ommissions from Beckford's list of these areas, the most important being Peru and Queensland. The latter between 1860 and 1884 particularly, and the former after 1890, produced large quantities of sugar based largely on the output of the coastal sugar plantations. Both of these areas showed the characteristics of a plantation sub-economy, or enclave economy economy as a result. These ommissions could possibly be justified on the grounds that Australia and Peru bore the overall characteristics of agricultural production of the colonies of settlement. However, the force of this justification is undermined by Beckford's inclusion of other regions of settler colonies in his classifications. An alternative basis for ommission could be that in the case of Queensland particularly sugar production has become characterized by the existence of highly capitalized farms using only a small percentage of skilled field labour. Beckford specifically excludes this type of plantation from his analysis. (19) However, this reasoning is also undermined by the inclusion of South Africa in the list of enclave economies whose farming of sugar cane has become capital intensive and highly mechanized in the course of the twentieth century.(20)

Secondly, there are serious grounds for questioning the applicability of the concept of the plantation enclave economy. These stem from the contradictions inherent in using analyses based on concepts derived form a study of areas with a cultural heritage of slavery in areas where colonization occurred at different times under very different economic and social conditions.(21) The objections that can be raised can be treated in two ways. As with the case of the general model, the more specific or localized one can test for the adequacy of the criteria used to verify its existence. Also more general theoretical implications of the model can be examined. We shall do each in turn.

In searching for valid cases to choose to test the enclave concept Beckford's ommissions are a handicap. We shall take one of Beckford's own examples, South Africa, and add one of our own, Queensland. The latter is included because of the general similarity of its history of sugar production to that of South Africa. Another problem in this respect is that Beckford is not specific about the details of his enclave model. There appear to be four particular criteria upon which this concept is constructed. Firstly, within the region associated with the enclave, plantations will have come to engross most of the arable land suitable for cultivation. Secondly, the social and economic structure of the associated community will be dominated by the influence of the plantation sector. Thirdly, external economic relations will be dominated by the dictates of the world market. Lastly, plantation enclaves will have little or no interaction with the larger national economy of which they were a part.

Consideration of the first of these criteria quickly brings us up against the general problem of timelessness which pervades Beckford's subordinate categories of plantation economy. Thus in Natal (later South Africa) and Queensland (later Australia), the period of plantation production strictly defined was very limited, and at no time in either place could be said to coincide with the engrossment of all availabe arable land within their regional enclaves. The coastal

was as high as 84.7 per cent. Even to-day, despite more than half a century of increasing production for the world market, only 47.9 per cent of total South African sugar production is exported.(26) Similarly, in Queensland, at the height of plantation production in 1884, raw and refined sugars and sugar by-products together comprised only 17.4 per cent of total Queensland exports by value, and only 31.3 per cent of total agricultural exports, which were otherwise made up of cotton, wool, meat and livestock. Like Natal, Queensland sugar production in the colonial period was directed at the internal market and the overwhelming proportion of its exported sugars went to the other Australian colonies.(27)

All of this suggests that we still have to take up the challenge of the colonial question and identify the distinct economic rythms and movements of capitalist agricultural production in the tropical sectors of colonies of settlement. We cannot rest upon a typology drawn from a dubious application of a Caribbean/American paradigm.

IV

In this concluding section we should like to suggest how such an identification and classification might proceed, once again using the case of sugar production in Natal and Queensland as the basis of our findings. In this way we hope to extend our examination of the more general theoretical implications of Beckford's conceptualization of the enclave plantation economy.

As in the case of the plantation economy as a whole, Beckford's enclave is ultimatley dependent upon the world market to determine the rate of capital accumulation. Like the parent concept from which it springs, the enclave is a focus of colonial capitalism which has been deprived of the laws of motion of capitalist production Yet the establishment of plantation production in the sugar industries of both colonies serving a predominently local market, and the eventual demise of the plantations and their replacement by a system of millers and growers serving both local and international markets, suggests strongly that it is precisely these laws of motion which have to elucidated if a meaningful analysis of colonial capitalist production in colonies of white settlement is to be undertaken.

A useful starting place might be found in a reexamination and refinement of the basis of this whole debate - the definition of the plantation as a productive unit. The definition of this type of agricultural production is generally taken to follow that provided by Jones in the 1968 edition of the Encyclopaedia of Social Sciences:

> "A plantation is an economic unit producing agricultural commodities (field crops or horticultural products, but not livestock) for sale and employing a relatively large number of unskilled labourers whose activities are closely supervised. Plantations usually employ a year-round labour crew of some size and they usually specialize in the production of only one or two marketable products. They differ from other kinds of farms in the way in which factors of production, primarily management and labour, are combined." (28)

The form of capitalist production which came to dominate the sugar industries of both colonies was that of the central factory or mill. This system of sugar production was based upon the differentiation of the two major functions of the traditional plantation, growing and milling. This essential difference between a plantation system of sugar production and that of the central mill can be gathered from this extract from the prospectus of the Alexandra Central Mill Co. of Natal Ltd. issued in 1875:

> "The "Central Factory" or Co-operative system proposed by this company and strongly recommended in reports from the Governments of Jamaica and St. Lucia has many, and great advantages - the cost of production is considerably lessened - the crop of sugar can be increased without increasing proportionately the cost of extraction, what the isolated Planter, bare of resources, and manufacturing his sugar under disadvantages, getting but a poor return of inferior sugar from his canes, is unable to do, the association of capital, concentration of labour, and erection of powerful machinery, fully realises; the system offers a safe and profitable investment to the capitalist, to the grower a handsome return for his industry."(32)

The advantages of this system were more than a rationalization of production, however. It ensured expansion of sugar production as well through a much greater concentration of capital in the hands of cane growers and central mills. As Eisenberg has observed:

> "The central mills would encourage a more economical use of land and labour. The cane growers would have sufficient capital to work more of the land. The mill owners would demand more mill capacity with their increased capital and would demand more cane. The result would be more area under cultivation." (33)

Central mills also required a different and necessarily more efficient utilization of labour. In both colonies this proved to be the basis upon which indentured labour was phased out. In Queensland this led to the utilization of cane on small farms and in Natal to the utlization of local labour supplies on a seasonal basis, to work on the former plantations.

There was not one single route or form of this agricultural production, and Natal and Queensland show three different types, some of which have similarity with changes in plantation agriculture in other parts of the world. In Natal proper, the system was built upon a considerable concentration of capital in land and upon the elimination of small productive units or plantations. By the 1890s this trend was clearly observable in Natal, and was itself the response to a variety of pressures, such as price instability, fluctuations in the cost and volume of available capital, the price of labour-power, changes in technology, problems of crop disease and marketing changes. The pattern of centralization which emerged was of a particular type. The historical legacy of the small plantation remained in the form of the emergence of what was later to be called the miller-cum-planter: a centralized mill crushing for surrounding planters and for its own estate lands, many of which were once seperate productive units. As the process of elimination continued, the preponderant position of the miller-cum-planter amongst the growers declined, but by no means disappeared. The outlines of this pattern can be very readily discerned. In 1866, at the height of the early speculative boom in sugar production there were sixty five mill in operation, producing 6,826 tons of raw sugar and serving 12,796 acres of cane. By 1893, this number had declined to thirty, producing 15,582 tons of raw sugar and serving 13,030 acres of cane. (34)

This brief look at the changing structure of the Natal and Queensland sugar industries suggests that the efficiency and durability of wage labour plantations should not be taken for granted. (39) Rather, that in these two colonies at least, plantation production, as a form of capitalist enterprise which combined agricultural and industrial processes within the same unit, and extracted surplus from a largely indentured labour force, was at best a short lived form of production. The appearance of centralized mills in these colonies and in other parts of the world, suggests that plantation agriculture, strictly defined, was at times a transitional form of capitalist production. Particularly in sugar, it seems often to have given way to other forms of tropical produce production. The varying degrees of similarity of the central milling system to the old slave plantations appeared to be in direct relation to the historical legacy of slavery.(40)

In conclusion, we would suggest that the analytical rigour of the term 'plantation production' has severe limitations, which should prohibit its too easy extension to use in wider areas. It appears to have more value as a descriptive term of agricultural organization. It appears unable to make analytical distinctions between agricultural production of tropical produce extracting surplus from slave, long contract indentured, short contract migratory or free labour. Nor does it distinguish between the near monopolistic land holding conditions of the Caribbean and American plantation, and the more competitive land conditions of Australia and South Africa. Also the revolutionary impact of changes in the technology of tropical produce have not been sufficiently well accomodated. It seems rather that the reasons for the continuation/emergence and character of plantation production must be sought in the demands of accumulation under specific and changing conditions of land and capital ownership, labour availability and productivity and changing technology and changing market structures. Only then will the laws of motion of plantations become apparent, as will the forces tending to undermine or conserve this form of production unit. This will not give us, however, the key to an understanding of the 'plantation economy' whose logic and form cannot be located simply within the plantation as a productive unit or the plantation sector, but in the various combinations of relations of production which undoubtedly charactize economies which Beckford and others have characterized in this way.

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Summary
This paper has attempted to do two things. By examining the literature on plantation production it has tried to show its limitations for a study of capitalist agricultural production of tropical crops in colonies of white settlement. Further, by examining the broad outlines of sugar production in Natal and Queensland, it has attempted to show the inadequacy of a timeless definition of the plantation as a productive unit, and sought to place analysis of plantation agriculture not in a descriptive category of features of this type of production unit but rather in the area of the imperatives of accumulation under different constraints on production and realization of surplus.

(29) Beckford, The Economics of Agricultural Resource Use etc., 117; Beckford, Persistent Poverty, 6
(30) J.M. Paige, Agrarian Revolution: Social Movements and Export Agriculture in the Underdeveloped World, (London, 1975), 15
(31) P.P. Courtenay, Plantation Agriculture, (New York,1965),550-67
(32) Killie Campbell Library, Durban, Ms. 1813, Papers Re Natal Plantations Co. Ltd.,1874-8: Prospectus of the Alexandra Central Mill Co. Natal Ltd., 1875
(33) Eisenburg, op.cit., 187
(34) Natal, Blue Books for 1866 and 1893
(35) South African Cane Growers' Association, The First Fifty Years, 1927-77, (Durban, 1977), 17-52
(36)
(37) Eisenburg, op.cit., ch.5
(38) E.D. Genovese, The World the Slaveholders Made: Two Essays in Interpretation, (London, 1970)
(39) J. Martinez-Alier, Haciendas, Plantations and Collective Farms: Peru and Cuba, 1935-1960, (London,1976),13
(40) see for example Eisenburg, op.cit., ch. 5; Genovese op.cit.

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